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ELECTRONIC GOVERNMENT: A PROGRESS REPORT ON THE SUCCESSES AND CHALLENGES OF GOVERNMENT-WIDE INFORMATION TECHNOLOGY SOLUTIONS

HEARING

BEFORE THE

SUBCOMMITTEE ON TECHNOLOGY, INFORMATION POLICY, INTERGOVERNMENTAL RELATIONS AND THE CENSUS

OF THE

COMMITTEE ON GOVERNMENT REFORM

HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTH CONGRESS

SECOND SESSION

MARCH 24, 2004

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CONTENTS

	Page
Hearing held on March 24, 2004	1
Statement of:	
Evans, Karen S., Administrator, E-Government and Information Technology, Office of Management and Budget; Linda Koontz, Director, Information Management, U.S. General Accounting Office; Martin Wagner, Associate Administrator, Office of Government-wide Policy, U.S. General Services Administration; M.J. Jameson, Associate Administrator (USA Services), Office of Citizen Services and Communication, U.S. General Services Administration; Norman Enger, Director, E-Government (E-Payroll), Office of Personnel Management; Kim Nelson, Chief Information Officer (E-Rulemaking Initiative), Environmental Protection Agency; and George Strawn, Chief Information Officer (E-Grants), Division of Grants and Agreements, National Science Foundation	11
Letters, statements, etc., submitted for the record by:	
Clay, Hon. Wm. Lacy, a Representative in Congress from the State of Missouri, prepared statement of	8
Enger, Norman, Director, E-Government (E-Payroll), Office of Personnel Management, prepared statement of	109
Evans, Karen S., Administrator, E-Government and Information Technology, Office of Management and Budget, prepared statement of	14
Jameson, M.J., Associate Administrator (USA Services), Office of Citizen Services and Communication, U.S. General Services Administration, prepared statement of	100
Koontz, Linda, Director, Information Management, U.S. General Accounting Office, prepared statement of	21
Nelson, Kim, Chief Information Officer (E-Rulemaking Initiative), Environmental Protection Agency, prepared statement of	119
Putnam, Hon. Adam H., a Representative in Congress from the State of Florida, prepared statement of	4
Strawn, George, Chief Information Officer (E-Grants), Division of Grants and Agreements, National Science Foundation, prepared statement of	127
Wagner, Martin, Associate Administrator, Office of Government-wide Policy, U.S. General Services Administration:	
Information concerning revenue	146
Information concerning Web sites	132
Prepared statement of	93

ELECTRONIC GOVERNMENT: A PROGRESS REPORT ON THE SUCCESSES AND CHALLENGES OF GOVERNMENT-WIDE INFORMATION TECHNOLOGY SOLUTIONS

WEDNESDAY, MARCH 24, 2004

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON TECHNOLOGY, INFORMATION POLICY,
INTERGOVERNMENTAL RELATIONS AND THE CENSUS,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:30 p.m., in room 2154, Rayburn House Office Building, Hon. Adam H. Putnam (chairman of the subcommittee) presiding.

Present: Representatives Putnam and Clay.

Staff present: Bob Dix, staff director; John Hambel, counsel; Chip Walker and Ursula Wojciechowski, professional staff members; Shannon Weinberg and Dan Daly, professional staff members and deputy counsels; Juliana French, clerk; Adam Bordes and David McMillen, minority professional staff members; and Jean Gosa, minority assistant clerk.

Mr. PUTNAM. A quorum being present, this hearing of the Subcommittee on Technology, Information Policy, Intergovernmental Relations and the Census will come to order.

Good afternoon and welcome to the subcommittee's hearing on "Electronic Government: A Progress Report on the Successes and Challenges of Government-wide Information Technology Solutions."

During the first session of the 108th Congress, this subcommittee focused a great deal of attention on the oversight of the Federal Government's e-government element of the President's management agenda. With a commitment to an aggressive and sustained effort, the launch of the President's management agenda in August 2001 established a strategy for transforming the Federal Government in a manner that produces measurable results that matter in the lives of the American people. One of the five components of the PMA is Electronic Government, intended to utilize the power and creativity of information technology to produce a more citizen-centric government, as well as one that is more efficient, productive, and cost-effective on behalf of the American taxpayer. E-government provides a platform to establish cross-agency collaboration and a rapid departure from a stovepipe approach to government operations to an approach that facilitates coordination, collaboration, communication, and cooperation.

The E-Government Act of 2002, designed and advanced by Chairman Tom Davis, set forth a series of 24 initial e-government projects and established the Office of Management and Budget as the lead agency responsible for implementation and oversight of those initiatives. Today, the subcommittee will continue to exercise its oversight responsibility by examining the progress made on the initial 24 "Quicksilver" projects, including the impediments to progress and any lessons learned during the development and implementation of these initiatives. Additionally, we will take a look at the next steps; i.e., the current plans for the next series of lines of business initiatives that will potentially produce further savings for the American taxpayer. I believe today's hearing will be an opportunity to celebrate success and much progress despite unexpected bumps in the road on some projects and a number of continuing obstacles. As we have learned in previous hearings, many of the impediments are cultural and personnel-based rather than being attributable to the technology itself or available resources.

I am optimistic about the potential savings that can be achieved by the full implementation of the initial set of projects, and am eager to hear more today about the anticipated savings to be derived by the next set of initiatives. In fact, I am so optimistic that this subcommittee has accepted a challenge of identifying significant budget savings for fiscal year 2005 through the portfolio of subject areas that reside within our jurisdiction, including most definitely e-government.

Federal Government expenditures on information technology products and services will approach $60 billion in fiscal year 2005, making the Federal Government the largest IT purchaser in the world. My home State of Florida, the fourth largest State in the Union, has a total State budget of $56 billion this year, less than what the Federal Government spends just on IT. Thanks in large part to the outstanding efforts by OMB and the General Accounting Office in particular, great strides have been made to improve productivity and results from IT investments. But for too long, and even continuing today, individual agencies have pursued their own IT agendas that focus solely on mission rather than emanating from a commitment to customer service or sound business processes.

As a first step to a meaningful coordination of IT expenditures governmentwide, Congress passed the Clinger-Cohen Act of 1996, which included the Information Technology Management Reform Act and the Federal Acquisition Reform Act. This legislation sets forth requirements for Federal Government IT investment management decisionmaking and corresponding responsibility. It requires agencies to fundamentally link IT investments to agency strategic planning, including the linkage to a Federal enterprise architecture. Clinger-Cohen also requires that OMB submit a report annually to Congress on the results of Federal IT spending and net program performance benefits achieved. This information was included as part of the fiscal year 2005 budget submission sent to Congress in early February.

The E-Government Act of 2002 took the next step to improve IT investment results requiring enhanced and more user-friendly access to Government information and the delivery of information

and services to citizens, business partners, employees, and other agencies and entities. The E-Government Act also requires OMB to provide a report to Congress on the status of e-government. Rather than simply identify and report on IT investments, the act forces a cultural change from consolidating IT investments to encouraging performance-based, citizen-centric, cross-agency planning.

Today we have assembled a distinguished panel of witnesses to provide the subcommittee with insight on a number of specific issues: A description of the progress on the initial 24 "Quicksilver" projects—lessons learned and challenges that we still face on initiatives such as Recruitment One-Stop, e-Travel, e-Grants, e-Rulemaking, e-Payroll, and e-Authentication. The estimated cost-savings that will be derived in fiscal year 2005 as a result of these initiatives.

The next steps in the subsequent five "Lines of Business" initiatives. How does the e-government strategy integrate with the development and implementation of a Federal Enterprise Architecture? How is OMB utilizing the Business Reference Model to identify redundant IT investments? How does the e-government strategy influence the agency investment decisionmaking as it relates to information security? How does the progress or lack there of in compliance with the requirements of FISMA affect an agency's e-government scorecard for the President's management agenda? How has the funding from Congress affected the progress of these e-government issues? How will tools such as SmartBuy provide OMB with even greater opportunity to achieve the goals and objectives of the e-government initiative?

I look forward to the expert testimony our panel of leaders in various Federal agencies will provide today, as well as the opportunity to demonstrate the tremendous progress that has been made thus far with these initiatives, while acknowledging the magnitude of the challenge that lies ahead.

Today's hearing can be viewed live via Web cast on Reform.House.Gov and clicking on the link under "Live Committee Broadcasts."

[The prepared statement of Hon. Adam H. Putnam follows:]

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SUBCOMMITTEE ON TECHNOLOGY, INFORMATION POLICY, INTERGOVERNMENTAL RELATIONS AND THE CENSUS
Congressman Adam Putnam, Chairman

OVERSIGHT HEARING
STATEMENT BY ADAM PUTNAM, CHAIRMAN

Hearing topic: "Electronic Government: A Progress Report on the Successes and Challenges of Government-wide Information Technology Solutions."

Wednesday, March 24, 2004
2:30 p.m.
Room 2154, Rayburn House Office Building

OPENING STATEMENT

Good afternoon and welcome to the Subcommittee's hearing on "Electronic Government: A Progress Report on the Successes and Challenges of Government-wide Information Technology Solutions."

During the 1st session of the 108th Congress, this Subcommittee focused a great deal of attention on the oversight of the federal government's E-Government element of the President's Management Agenda (PMA). With a commitment to an aggressive and sustained effort, the launch of the President's Management Agenda in August 2001 established a strategy for transforming the federal government in a manner that produces measurable results that matter in the lives of the American people. One of the five components of the PMA is Electronic Government, intended to utilize the power and

creativity of information technology (IT) to produce a more citizen-centric government, as well as one that is more efficient, productive, and cost-effective on behalf of the American taxpayer. E-Government provides a platform to establish cross-agency collaboration and a rapid departure ***from*** a stovepipe approach to government operations ***to*** an approach that facilitates coordination, collaboration, communication, and cooperation.

The E-Government Act of 2002, designed and advanced by Chairman Tom Davis, set forth a series of 24 initial e-government projects and established the Office of Management and Budget (OMB) as the Lead Agency responsible for implementation and oversight of those initiatives. Today, the Subcommittee will continue to exercise its oversight responsibility by examining the progress made on the initial 24 "Quicksilver" projects, including the impediments to progress and any lessons learned during the development and implementation of these important initiatives. Additionally, we will take a look at the next steps i.e. the current plans for the next series of "Lines of Business" initiatives that will potentially produce further significant savings for the American taxpayer. I believe today's hearing will be an opportunity to celebrate success and much progress despite unexpected "bumps in the road" on some projects and a number of continuing obstacles. As we have learned in previous hearings, many of the impediments are cultural and people-based, rather than being attributable to the technology itself (or even available resources).

I am optimistic about the potential savings that can be achieved by the full implementation of the initial set of projects, and am eager to hear more today about the anticipated savings that will be derived by the next set of initiatives. In fact, I am so optimistic, that this Subcommittee has accepted a challenge of identifying significant budget savings for fiscal year 2005 through the portfolio of subject areas that reside within our jurisdiction, including most definitely E-Government.

Federal government expenditures on information technology products and services will approach $60 billion dollars in FY05, making the federal government the largest IT purchaser in the world. Thanks in large part to the outstanding efforts by OMB and the General Accounting Office particularly, great strides have been made to improve productivity and results from IT investments. However, for too long, and even continuing in some places today, individual agencies have pursued their own IT agendas that focus solely on mission rather than emanating from a commitment to customer service or sound business processes.

As a first step to a meaningful coordination of IT expenditures government-wide, Congress passed the Clinger-Cohen Act of 1996, which included the Information Technology Management Reform Act and the Federal Acquisition Reform Act. This legislation sets forth requirements for federal government IT investment management decision-making and corresponding responsibility and accountability. It requires agencies to fundamentally link IT investments to agency strategic planning, including the linkage to a federal enterprise architecture. Clinger-Cohen also requires that OMB submit a report annually to Congress on the results of federal IT spending and net program performance benefits achieved. This information was included as part of the FY05 budget submission sent to Congress in early February.

The E-Government Act of 2002 (P. L. 107-347) took the next step to improve IT investment results requiring enhanced and more user-friendly access to government information and the delivery of information and services to citizens, business partners, employees, and other agencies and entities. The E-Government Act also requires OMB to provide a report to Congress annually on the status of e-government. Rather than simply identify and report on IT investments, the Act forces a cultural change from consolidating and integrating IT investments to encouraging performance-based, citizen-centric, cross-agency planning.

Today, I look forward to our distinguished witnesses providing the Subcommittee with insight on a number of specific issues:

- A description of the progress on the initial 24 "Quicksilver" projects: what are the lessons learned and are we still facing hurdles with some of the more challenging initiatives such as Recruitment One-Stop, E-Travel, E-Grants, E-Rulemaking, E-Payroll, and E-Authentication?

- What are the estimated cost-savings that will be derived in FY05 as a result of these initiatives?

- What are the next steps in the subsequent five "Lines of Business" initiatives?

- How does the E-Government strategy integrate with the development and implementation of a Federal Enterprise Architecture? How is OMB utilizing the Business Reference Model (BRM) to identify redundant IT investments?

- How does the E-Government strategy influence the agency investment decision-making as it relates to information security? How does the progress or lack of progress in compliance with the requirements of FISMA affect an agency's E-Government Scorecard result for the President's Management Agenda?

- How has the appropriated funding from Congress affected the progress of the various e-government initiatives?

- How will tools such as SmartBuy provide OMB with even greater opportunities to achieve the goals and objectives of the federal e-government initiative?

I eagerly look forward to the expert testimony our distinguished panel of leaders in various federal agencies will provide today as well as the opportunity to demonstrate the outstanding progress that has been made thus far with these initiatives, while acknowledging the magnitude of the challenge that continues to lie ahead.

#####

Mr. PUTNAM. It is a pleasure to be joined by the ranking member of the subcommittee, the gentleman from Missouri, Mr. Clay. You are recognized for any opening remarks that you may wish to make.

Mr. CLAY. Thank you, Mr. Chairman, and also thank you for calling for this hearing of the subcommittee today. I am hopeful that today's testimony will prove beneficial in our efforts to make the Federal Government a more efficient and accessible institution.

As I have stated during previous hearings on e-government related issues, my home State of Missouri is home to both the National Personnel Records Center as well as the Presidential Library of Harry S. Truman. As part of the National Archives and Records Administration, both the NPRC and the Truman Library represent the finest of institutions that a free society can have—serving as integral sources of information for not just government employees, teachers, students, or researchers, but citizens from all walks of life.

Today's hearing is about making our government operate like the Truman Library. We should have an open government where each agency devotes its energy to making it easier for citizens to access government information, in a minimally restrictive and convenient manner. But that is not easily accomplished, particularly when attempting to get disparate agencies to work in concert with each other.

In many respects, the goals associated with the e-government are representative of the kind of government we deserve—transparent, accessible, and reliable. The first annual OMB report to Congress on the implementation and progress of the e-government initiatives, however, reminds us that such transparency and citizen accessibility is still a ways off. While I am encouraged by OMB's strategy for meeting their ambitious goals, I remain concerned that the agency community is failing to make adequate progress in meeting these goals. As of December 2003, only 2 of 26 agencies met all of the e-government standards for success as prescribed by OMB. Although I realize that progress continues to be reported at 19 additional agencies, I am all too aware of lax oversight and follow through in other government related IT pursuits, such as computer security and performance management. Further, I am also aware that budget deficits can prove detrimental to the implementation and oversight of the 25 initiative agenda before us today.

I would like to thank our witnesses for appearing before our subcommittee today and look forward to hearing their testimony. Mr. Chairman, I ask unanimous consent that my full statement be included in the record. Thank you.

[The prepared statement of Hon. Wm. Lacy Clay follows:]

STATEMENT OF THE HONORABLE WM. LACY CLAY
SUBCOMMITTEE ON TECHNOLOGY, INFORMATION POLICY, INTERGOVERNMENTAL RELATION, AND THE CENSUS
HEARING ON
ELECTRONIC GOVERNMENT INITIATIVES

March 24, 2004

Thank you Mr. Chairman for calling this hearing of the Subcommittee on Technology, Information Policy, Intergovernmental Relations, and the Census. I'm hopeful that today's testimony will prove beneficial in our efforts to make the Federal government a more efficient and accessible institution.

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computer security and performance management. Further, I'm also aware that budget deficits can prove detrimental to the implementation and oversight of the 25 initiative agenda before us today.

I would like to thank our witnesses for appearing before our Subcommittee today, and look forward to hearing their testimony. Mr. Chairman, I ask unanimous consent that my full statement be included in the record.

Mr. PUTNAM. Without objection.

Having no further opening remarks, we will move directly to the testimony. I would ask that our panel of witnesses please rise, and anyone accompanying you who will provide you information in response to a query by this subcommittee please rise as well for the administration of the oath.

[Witnesses sworn.]

Mr. PUTNAM. Note for the record that all of the witnesses responded in the affirmative, including the last three who were a little bit late getting up. [Laughter.]

Our first witness is Karen Evans. Ms. Evans is a frequent guest of the subcommittee, and we are delighted to have her back with us today. She was appointed by President Bush to be Administrator of the Office of Electronic Government and Information Technology at the Office of Management and Budget. Prior to joining OMB, Ms. Evans was Chief Information Officer at the Department of Energy and served as vice chairman of the CIO Council, which is the principal forum for agency CIOs to develop IT recommendations. She previously served at the Department of Justice as Assistant and Division Director for Information System Management. We are delighted to have you. You are recognized for 5 minutes. You understand the light system. We would ask everyone, because this is a large panel, to respect the lighting system. You will be given 5 minutes. Your written statement will be included in its entirety in the record, but we ask you to summarize your verbal comments. Thank you. Ms. Evans, you are recognized.

STATEMENTS OF KAREN S. EVANS, ADMINISTRATOR, E-GOVERNMENT AND INFORMATION TECHNOLOGY, OFFICE OF MANAGEMENT AND BUDGET; LINDA KOONTZ, DIRECTOR, INFORMATION MANAGEMENT, U.S. GENERAL ACCOUNTING OFFICE; MARTIN WAGNER, ASSOCIATE ADMINISTRATOR, OFFICE OF GOVERNMENT-WIDE POLICY, U.S. GENERAL SERVICES ADMINISTRATION; M.J. JAMESON, ASSOCIATE ADMINISTRATOR (USA SERVICES), OFFICE OF CITIZEN SERVICES AND COMMUNICATION, U.S. GENERAL SERVICES ADMINISTRATION; NORMAN ENGER, DIRECTOR, E-GOVERNMENT (E-PAYROLL), OFFICE OF PERSONNEL MANAGEMENT; KIM NELSON, CHIEF INFORMATION OFFICER (E-RULEMAKING INITIATIVE), ENVIRONMENTAL PROTECTION AGENCY; AND GEORGE STRAWN, CHIEF INFORMATION OFFICER (E-GRANTS), DIVISION OF GRANTS AND AGREEMENTS, NATIONAL SCIENCE FOUNDATION

Ms. EVANS. Thank you, Mr. Chairman. Thank you for inviting me to speak to you today about the significant progress being made by the Federal Government to implement the 24 Presidential E-Government Initiatives and the recent launch of the two new task forces to examine human resources management and grants management in addition to the task forces underway in the areas of Federal health architecture, financial management, and case management systems for law enforcement, investigation, and litigation processes.

Nearly 3 years ago, President Bush outlined his vision for expanding the use of e-government in the President's management

agenda. His vision applies the principles of e-government to better serve our fellow citizens and to achieve greater results through refined business practices and more efficient management of information technology resources. Since the release of the President's management agenda, the OMB and our agency counterparts have worked diligently together to achieve these goals.

Work has been done on multiple fronts. Not only did OMB and the agencies work to identify 24 Presidential initiatives in which to partner and provide shared solutions, but all agencies also initiated their own unique e-government projects to compliment the Presidential initiatives. Furthermore, in concert with State, local, and tribal officials, we have worked in partnership to achieve uniform levels of service at all levels within the government.

The 24 initiatives are divided into four portfolios based on the type of user group the initiative services—government to citizen, government to business, government to government, and internal efficiency and effectiveness. In addition, the e-Authentication initiative supports the other 24 in providing technology, policy, and implementation activities to allow for a more uniform application of identity management across government, providing choice to citizens and to Federal agencies. Each of these portfolios has initiatives that make a significant impact on their respective communities of interest.

The initiatives, led by the agencies with guidance and assistance from OMB, have confronted common obstacles previously experienced in other transformation efforts. These include procurement, acquisition, regulatory, and cultural, and budgetary issues. None of these obstacles were unexpected. Because e-government is not the work of managing existing processes and investments, but rather working to transform old practices into new solutions, the challenge to deliver greater results to the citizen requires sustained management. This is hard work and our partner agencies leading these initiatives are focused and tireless in their efforts to deliver results to their fellow citizens. I commend them for their efforts.

Concurrent with the work of the e-government initiatives, OMB launched the Federal Enterprise Architecture in February 2002. The FEA is a business and performance-based framework designed to facilitate governmentwide information sharing, collaborative IT solutions, improved customer service, and process system integration resulting in faster, better, and more cost-effective service to the American people. Applied in the fiscal year 2004 and 2005 budget processes, the FEA is becoming recognized as a viable framework to analyze agency IT investments, thereby enabling the government to wisely target inter- and intra-agency collaboration efforts that will streamline the government's business processes.

Throughout the past 2 years, OMB has analyzed information technology investments across several lines of business using the FEA. Use of the FEA better quantifies the savings and service improvements that could result from integration and consolidation projects. This analysis resulted in the launch of two new task forces last Thursday and a reflection of the continuing efforts of the task forces underway to determine business-driven common solutions in all the following areas: financial management, human re-

sources, grants management, Federal health architecture, and case management systems.

From now until early September, these agency-led task forces will define a common solution, and develop a target architecture and business case for the respective line of business. This work will be inclusive and deliberate, and will include a public Request for Information process.

The Presidential e-Government initiatives are delivering measurable results to citizens. The administration will continue to work collaboratively across the agencies and with Congress on e-Government and information technologies. I look forward to working with you on these matters. I would be happy to take any questions.

[The prepared statement of Ms. Evans follows:]

STATEMENT OF
THE HONORABLE KAREN EVANS
ADMINISTRATOR FOR ELECTRONIC GOVERNMENT AND
INFORMATION TECHNOLOGY
OFFICE OF MANAGEMENT AND BUDGET
BEFORE THE
SUBCOMMITTEE ON TECHNOLOGY, INFORMATION POLICY,
INTERGOVERNMENTAL RELATIONS AND THE CENSUS
U.S. HOUSE OF REPRESENTATIVES
March 24, 2004

Mr. Chairman and Members of the Subcommittee:
Thank you for inviting me to speak to you today about the significant progress being made by the federal government to implement the 24 Presidential Electronic Government initiatives and the recent launch of two new task forces to examine human resources management and grants management in addition to taskforces underway in the areas of federal health architecture, financial management, and case management systems for law enforcement, investigation, and litigation processes.

Introduction:
Nearly three years ago, President Bush outlined his vision for expanding the use of e-government in the President's Management Agenda. His vision applies the principals of E-Government to better serve our fellow citizens and to achieve greater results through refined business practices and more efficient management of information technology resources. Since the release of the President's Management Agenda, the Office of Management and Budget (OMB) and our agency counterparts have worked diligently together to achieve these goals.

Work has been done on multiple fronts. Not only did OMB and agencies work to identify 24 Presidential initiatives in which to partner and provide shared solutions, but all agencies also initiated their own unique E-Government projects to compliment the Presidential initiatives. Furthermore, in concert with state, local and tribal officials, we have worked in partnership to achieve uniform levels of service at all levels of government.

The 24 Presidential Initiatives
These 24 initiatives are divided into four portfolios based on the type of user group the initiative services: government to citizen, government to business, government to government, and internal efficiency and effectiveness. In addition, the E-Authentication initiative supports the other 24 in providing technology, policy and implementation activities to allow for a more uniform application of identity management across government, providing choice to citizens and to Federal agencies. Each of these portfolios has initiatives that make a significant impact on their respective communities of interest.

Government to Citizen: These initiatives primarily focus on delivering Government services to citizens in a timely and effective manner. For example, USA Services presents a "single face of government" for citizens needing timely, accurate and consistent information about government services and operations. The initiative supports the ways in which citizens can participate and interact with government to obtain the information and services via email, phone, fax, letter or the web (www.FirstGov.gov). Inquiries through FirstGov.gov and the Federal Contact Information Center are responded to within 12 hours with the average time to resolve inquiries being 2 business days.

Government to Business initiatives improve service and information delivery between the federal government and businesses. New business owners can now apply for and receive an Employer Identification Number (EIN) online through the Expanding Electronic Tax Products for Businesses Initiative. Before this was available, people had to fill out and mail a paper version of the EIN form, waiting up to two weeks to receive their EIN from the IRS. With the online EIN application, they can receive their EIN immediately. Since the service was launched in April, 2003, the IRS has received nearly 800,000 online applications for EINs.

Government to Government initiatives improve interaction between federal, state, and local governments. Grants.gov has more than $360 billion in annual grants from 26 federal agencies available on-line for grantees to find and apply for. This initiative creates a single, on-line storefront for all federal grant customers to access grant information. The storefront consolidates much of the grants information currently available on-line and will eliminate many of the paper-based processes that serve as hurdles to organizations attempting to find grant opportunities as well as apply for grants.

Internal Efficiency and Effectiveness portfolio focuses on improving internal government operations: The E-Payroll initiative is consolidating 22 federal payroll systems to four federal payroll providers, thereby improving the efficiency and effectiveness of the federal payroll process. The E-Payroll initiative completed migrations of Department of Energy, American Battlefield Monuments Commission, Surface Transportation Board, and Nuclear Regulatory Commission to the designated E-Payroll providers.

These 24 initiatives, led by agencies with guidance and assistance from OMB, have confronted common obstacles previously experienced in other transformation efforts. These include procurement, acquisition, regulatory, cultural and budgetary issues. None of these obstacles were unexpected. Because E-government is not the work of managing existing processes and investments, but rather working to transform old practices into new solutions, the challenge to deliver greater results to the citizen requires sustained management. This is hard work and our partner agencies leading these initiatives are focused and tireless in their efforts to deliver results for their fellow citizens. I commend them for their efforts.

The E-Government Act of 2002

Congress's support for E-Government has played a key role in its implementation throughout the federal enterprise. Signed into law on December 17, 2002, the E-Government Act complement the President's Management Agenda and the Expanding Electronic Government initiative in particular, which focuses agencies' attention and resources on managing IT investments for results. Criteria for successfully implementing the E-Government PMA initiative include:

- Using a Modernization Blueprint to focus IT investments on priority agency functions;
- Managing major projects so that they generally deliver as expected, on-time and within budget, i.e., achieving, on average, 90% of cost, schedule and performance goals;
- Securing at least 90% of operational systems and sustaining progress correcting security weaknesses through a Department-wide remediation process verified by the agency IG;
- Avoiding redundant or agency-unique IT projects by participating in government-wide E-Gov initiatives; and
- Justifying major investments with complete business cases that adequately address all of these critical success factors.

OMB's April 2003 E-Government Strategy located at: http://www.whitehouse.gov/omb/egov/2003egov_strat.pdf outlines the following as government-wide goals for achieving the PMA agenda for E-Government in FY 2003 and FY 2004:

- Agencies are focusing IT spending on high-priority modernization efforts;
- Major IT investments are within 10 percent of cost/schedule/performance objectives;
- All operational IT systems are certified and accredited; and

to assist agencies to avoid agency-unique solutions to government-wide needs and to reduce unnecessarily redundant intra- and inter-agency investments—

- Presidential E-Government initiatives are operational and yield benefits (e.g., reduced cost, faster response time, reduced burden, improved citizen service, etc.).
- Negotiate government-wide Enterprise Software licenses.
- Reduce redundant IT spending in the 6 overlapping lines of business identified in he FY2004 budget, by defining government-wide solutions.

As of December 2003, two of 26 agencies met all of the E-Government standards for success – the National Science Foundation (NSF) and Office of Personnel Management (OPM) – and 19 demonstrated solid progress implementing plans and meting milestones to achieve the standards of success.

<u>The E-Government Fund</u>

A key provision of the E-Government Act of 2002 is the authorization of the E-Government Fund. This fund plays a vital role is supporting the transformation taking place throughout the government.

Congress appropriated $5 million for FY 2002 for the fund. As a result of the rescission in FY2003, $4,967,500 was available in the E-Government Fund. For FY2004, Congress made available $3 million in the fund.

OMB will drive the use of the E-Gov Fund for the migration efforts necessary to achieve efficiency and utilization. The fund acts as a venture capital fund in generating cross-agency savings and improving collaboration and cooperation. The reinvestment of funds generated from cross-agency acquisition savings will be used to drive common solutions. By investing these funds in projects with both immediate and long-term benefits we can meet today's day to day operations while keeping an eye on the future.

In addition, there will be a continued focus on driving the prudent use of taxpayer funds and support of initiatives serving the citizen and government well. In this effort OMB will continue to use the Federal Enterprise Architecture, the agency EA's and the CIPIC process to identify redundancies and areas where collaboration will solve delivery problems.

The Federal Enterprise Architecture

Concurrent with the work of the e-government initiatives, OMB launched the Federal Enterprise Architecture in February 2002. The FEA is a business and performance-based framework designed to facilitate government-wide information sharing, collaborative IT solutions, improved customer service, and process/system integration, resulting in faster, better and more cost-effective service to the American people. Applied in the FY04 and FY05 budget processes, the FEA is becoming recognized as a viable framework to analyze agency IT investments, thereby enabling the government to wisely target inter- and intra-agency collaboration efforts that will streamline government business processes.

Since its inception, the FEA has completed four out of five reference models (Business, Performance, Technical, and Service Component) that are used by OMB and agencies to collectively identify opportunities for collaboration and consolidation. The fifth reference model, the Data and Information Reference Model (DRM) is currently under review and scheduled for release in spring 2004.

The Line of Business Task Forces

Throughout the past two years, OMB has analyzed information technology investments across several lines of business using the FEA. Use of the FEA better quantifies the savings and service improvements that could result from integration and consolidation of projects. This analysis resulted in the launch of two new task forces last Thursday and a reflection of the continuing efforts of the taskforces underway to determine a business-driven common solution for the following areas: financial management, human resources

management, grants management, federal health architecture, and case management systems for law enforcement, investigation, and litigation processes.

From now until early September, these agency-led task forces will define a common solution, and develop a target architecture and business case for the respective line of business. This work will be inclusive and deliberate, and include a public Request for Information process.

Conclusion

The Presidential E-government initiatives are delivering measurable results to citizens. Through the analysis of the federal enterprise architecture, we have launched five task forces which are laying the foundation for future opportunities to improve service, reduce costs and identify duplicative investments.

The Administration will continue to work collaboratively across agencies and with Congress on E-Government and information technology issues.

Mr. PUTNAM. Thank you, Ms. Evans.

Our next witness is Linda Koontz. Linda Koontz is Director of Information Management Issues for the General Accounting Office. Ms. Koontz is responsible for issues concerning the collection, use, and dissemination of government information in an era of rapidly changing technology as well as e-government issues. Recently, she has been heavily involved in directing studies of interest to this subcommittee, including e-government, privacy, electronic records management, and governmentwide information dissemination. You are recognized for 5 minutes. Welcome to the subcommittee.

Ms. KOONTZ. Thank you, Mr. Chairman. I appreciate the opportunity to participate in the subcommittee's hearing on electronic government progress. Generally speaking, e-government refers to the use of information technology, particularly Web-based Internet applications, to enhance the access to and delivery of government information and service to citizens, to business partners, to employees, and among agencies at all levels of government.

As requested, in my remarks today, I will discuss the progress of the 25 OMB-sponsored e-government initiatives in meeting their initial objectives. In the initiatives' first formal workplans, submitted to OMB in May 2002, a total of 91 objectives were laid out. While these objectives vary widely—from simple, narrowly defined tasks, to broad long-term transformational goals—they serve as a useful benchmark across all of the initiatives for measuring progress over the last 2 years.

Overall, we found that mixed progress has been made in achieving these objectives. To date, 33 have been fully or substantially achieved; 38 have been partially achieved; and for 17, no significant progress has been made toward these objectives. In addition, three of the objectives no longer apply because they have been found to be impractical or inappropriate. For two of the initiatives—Grants.gov and IRS Free File—all original objectives have been achieved, and for an additional five, the majority of the objectives have been achieved. For the other 18 initiatives, most of their objectives are either partially met or not significantly met.

An example of an initiative that has made excellent progress in achieving the original objectives is Grants.gov, which established a Web portal that, as of February 2004, allowed prospective grants applicants to find and apply for a total of 835 grant opportunities at 29 grantmaking agencies. Project SAFECOM, on the other hand, has made very limited progress in addressing its original objectives, which all relate to achieving communications interoperability among entities at various levels of government. Given that OMB's stated criteria in choosing these initiatives included their likelihood of deployment in 18 to 24 months, the substantial number of objectives that are still unmet or only partially met indicates that making progress on these initiatives is more challenging than OMB may have originally anticipated.

The extent to which the 25 initiatives have met their original objectives can be linked to a common set of challenges that they all face including, focusing on achievable objectives that meet customer needs, maintaining management stability through executive commitment, collaborating effectively with partner agencies and stakeholders, driving transformational changes in business proc-

esses, and implementing effective funding strategies. Initiatives that have overcome these challenges have generally met with success in achieving their objectives, whereas initiatives that have had problems dealing with these challenges have made less progress.

GovBenefits is a good example of an initiative that has successfully focused on an achievable near-term objective but also continues to work on a more challenging transformational task. Specifically, a Web site, GovBenefits.gov, was set up that currently provides potential applicants with information about over 500 benefit programs at 22 agencies. However, the project has not yet addressed the more challenging task of streamlining the process of applying for these benefits. An approach has been mapped out for tackling this issue but no milestone has been set for bringing a standardized application process on line.

In summary, Mr. Chairman, e-government offers many opportunities to better serve the public, make government more efficient and effective, and reduce costs. Some of the 25 initiatives have made substantial progress and are already producing valuable benefits. Further, important lessons in the form of the challenges that I have outlined today have been learned from these initial efforts. We believe that priority should be given now to ensuring that the agencies managing these initiatives assess their progress in the context of these challenges and develop strategies to address them. In addition, we continue to believe that careful oversight on the part of OMB as well as the Congress is crucial to realizing the full potential of e-government.

That concludes my statement. I would be happy to answer questions at the appropriate time.

[The prepared statement of Ms. Koontz follows:]

United States General Accounting Office

GAO

Testimony

Before the Subcommittee on Technology, Information Policy, Intergovernmental Relations and the Census, Committee on Government Reform, House of Representatives

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ELECTRONIC GOVERNMENT

Initiatives Sponsored by the Office of Management and Budget Have Made Mixed Progress

Statement of Linda D. Koontz
Director, Information Management Issues

GAO-04-561T

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Highlights

Highlights of GAO-04-561T, a testimony before the Subcommittee on Technology, Information Policy, Intergovernmental Relations and the Census, Committee on Government Reform, House of Representatives

Why GAO Did This Study

One of the five priorities in the President's Management Agenda is the expansion of electronic (e-) government—the use of Internet applications to enhance access to and delivery of government information and services. To this end, the Office of Management and Budget (OMB) has sponsored 25 high-profile e-government initiatives. The initiatives were selected on the basis of value to citizens, potential improvement in agency efficiency, and the likelihood of being deployed within 18 to 24 months. In May 2002, a total of 91 objectives were set for these initiatives. At the request of the Subcommittee, GAO assessed the progress of the initiatives in addressing these 91 objectives as well as key challenges they have faced.

www.gao.gov/cgi-bin/getrpt?GAO-04-561T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Linda D. Koontz at (202) 512-6240 or koontzl@gao.gov.

March 2004

ELECTRONIC GOVERNMENT

Initiatives Sponsored by the Office of Management and Budget Have Made Mixed Progress

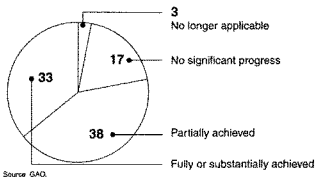
What GAO Found

Overall, mixed progress has been made in achieving the 91 objectives originally defined for the 25 OMB-sponsored e-government initiatives. To date, 33 have been fully or substantially achieved; 38 have been partially achieved; and for 17, no significant progress has been made towards these objectives. In addition, 3 of the objectives no longer apply because they have been found to be impractical or inappropriate. The figure below summarizes these results.

Examples of initiatives that have made good progress in achieving their objectives include Grants.gov, which established a Web portal that, as of February 2004, allowed prospective grants applicants to find and apply for a total of 835 grant opportunities at 29 grant-making agencies; and the Integrated Acquisition Environment, which created a single point of registration and validation for vendors and a directory of interagency contracts that currently references 16,000 contracts. A contrasting example is Project SAFECOM, which has made very limited progress over the past 2 years, largely because management teams for the project have changed four times among three different federal agencies.

Given that OMB's stated criteria in choosing these initiatives included their likelihood of deployment in 18 to 24 months, the substantial number of objectives that are still unmet or only partially met indicates that making progress on these initiatives is more challenging than OMB may have originally anticipated. The extent to which the 25 initiatives have met their original objectives can be linked to how they have addressed key challenges, including (1) focusing on achievable objectives that address customer needs, (2) maintaining management stability through executive commitment, (3) collaborating effectively with partner agencies and stakeholders, (4) driving transformational changes in business processes, and (5) implementing effective funding strategies. Initiatives that have overcome these challenges have generally met with success in achieving their objectives, whereas initiatives that have had problems dealing with these challenges have made less progress.

Assessed Status of Initiatives' Original Objectives



Source: GAO.

Mr. Chairman and Members of the Subcommittee:

I appreciate the opportunity to participate in the Subcommittee's hearing on electronic government (e-government) progress. Generally speaking, e-government refers to the use of information technology (IT), particularly Web-based Internet applications, to enhance the access to and delivery of government information and service to citizens, to business partners, to employees, and among agencies at all levels of government.

Under the leadership of the Office of Management and Budget (OMB), a team known as the E-Government Task Force identified a set of high-profile initiatives to lead the federal government's drive toward e-government transformation. The initiatives were selected on the basis of value to citizens, potential improvement in agency efficiency, and likelihood of deploying within 18 to 24 months. These initiatives—now numbering 25[1]—cover a wide spectrum of government activities, ranging from the establishment of centralized portals on government information to eliminating redundant, nonintegrated business operations and systems. OMB has reported that, in some cases, positive results from these initiatives could produce over one billion dollars in savings from improved operational efficiency.

As requested, in my remarks today, I will discuss the progress of these cross-agency e-government projects in meeting their original objectives. In the initiatives' first formal work plans, submitted to OMB in May 2002, a total of 91 objectives were laid out. While these objectives vary widely—from simple, narrowly defined tasks, like developing a business case (e-Payroll), to broad, long-term goals, like achieving effective communications interoperability among emergency personnel at all levels of government (Project SAFECOM)—they serve as a benchmark across all of the initiatives for measuring progress over the past two years. In my remarks, I will describe the status of these original 91 objectives and also discuss major challenges that have affected the initiatives' progress

[1] Based on analysis by the E-Government Task Force, 23 initiatives were originally selected in September 2001. A 24th, e-Payroll, was then added by the President's Management Council. In 2002, a decision was made to separate the e-Clearance initiative from the Integrated Human Resources initiative, resulting in the current count of 25 projects.

in meeting these objectives. To supplement my remarks, I have included an attachment that provides additional information on the status and progress of each of the 25 e government projects in meeting their original objectives.

To address our objective of assessing the initiatives' progress in meeting their original objectives, we reviewed project management plans, documentation associated with annual budget submissions, and other related documents. We also interviewed key project management officials to gain a complete understanding of project goals, milestones, costs, performance measures, and implementation challenges. Based on analysis of this information, we assessed the status of specific project objectives by comparing achievements as of March 2004 with objectives established in May 2002 to determine whether the reported achievements (1) fully or substantially meet the stated objectives, (2) partially meet the stated objectives, or (3) do not contribute significantly or at all to the stated objectives. In three cases, we determined that addressing the original objectives would not be feasible or appropriate and thus characterized these objectives as "no longer applicable." We performed our work from January 2004 to March 2004 in accordance with generally accepted government auditing standards.

Results in Brief

Overall, mixed progress has been made in achieving the 91 objectives originally defined for the 25 OMB-sponsored e-government initiatives in their work plans submitted to OMB in May 2002. To date, 33 have been fully or substantially achieved; 38 have been partially achieved; and for 17, no significant progress has been made towards these objectives. In addition, 3 of the objectives no longer apply because they have been found to be impractical or inappropriate. For two of the initiatives—Grants.gov and Internal Revenue Service (IRS) Free File—all original objectives have been achieved, and for an additional five,[2] the majority of their original objectives have been achieved. For the other 18 initiatives, most of their objectives are either partially met or not significantly met. An

[2] These initiatives include e-Clearance, e-Payroll, e-Training, e-Travel, and Integrated Acquisition Environment.

example of an initiative that has made excellent progress in achieving its original objectives is Grants.gov, which established a Web portal that, as of February 2004, allowed prospective grants applicants to find and apply for a total of 835 grant opportunities at 29 grant-making agencies. Project SAFECOM, on the other hand, has made very limited progress in addressing its original objectives, which all relate to achieving communications interoperability among entities at various levels of government. Given that OMB's stated criteria in choosing these initiatives included their likelihood of deployment in 18 to 24 months, the substantial number of objectives that are still unmet or only partially met indicates that making progress on these initiatives is more challenging than OMB may have originally anticipated.

The extent to which the 25 initiatives have met their original objectives can be linked to a common set of challenges that they all face, including (1) focusing on achievable objectives that address customer needs, (2) maintaining management stability through executive commitment, (3) collaborating effectively with partner agencies and stakeholders, (4) driving transformational changes in business processes, and (5) implementing effective funding strategies. Initiatives that have overcome these challenges have generally met with success in achieving their objectives, whereas initiatives that have had problems dealing with these challenges have made less progress.

Background

E-government has been seen as promising a wide range of benefits based largely on harnessing the power of the Internet to facilitate interconnections and information exchange between citizens and their government. A variety of actions have been taken in recent years to enhance the government's ability to realize the potential of e-government, culminating in the recent enactment of the E-Government Act of 2002,[3] which includes provisions addressing everything from funding of e-government initiatives to measures for ensuring security and privacy. In addition to the E-Government Act, the President designated e-government as one of five priorities in his

[3] P. L. No. 107-347.

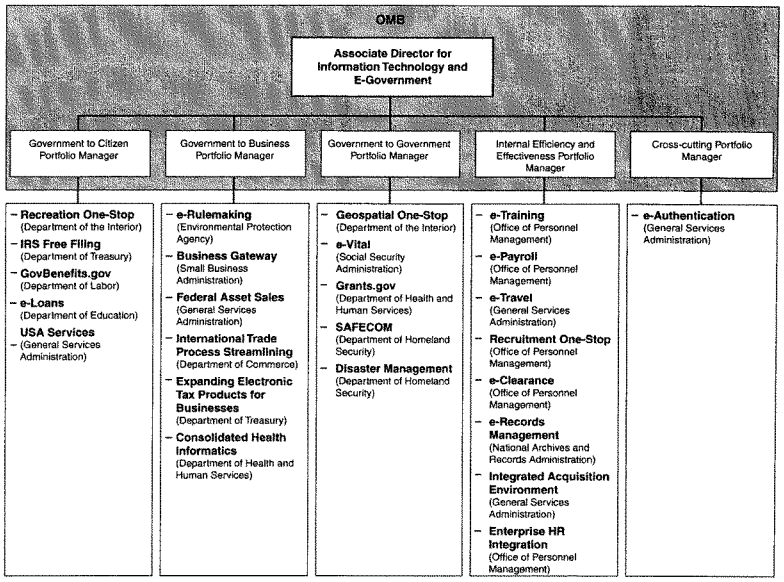
fiscal year 2002 management agenda for making the federal government more focused on citizens and results. According to the agenda, e-government is expected to

- provide high-quality customer services regardless of whether the citizen contacts the agency by phone, in person, or on the Web;
- reduce the expense and difficulty of doing business with the government;
- cut government operating costs;
- provide citizens with readier access to government services;
- increase access for persons with disabilities to agency Web sites and e-government applications; and
- make government more transparent and accountable.

As the lead agency for implementing the President's management agenda, OMB developed a governmentwide strategy for expanding e-government, which it published in February 2002.[4] In its strategy, OMB established a portfolio management structure to help oversee and guide the Quicksilver initiatives and facilitate a collaborative working environment for each of them. This structure includes five portfolios, each with a designated portfolio manager reporting directly to OMB's Associate Director for IT and E-Government. The five portfolios are "government to citizen," "government to business," "government to government," "internal efficiency and effectiveness," and "cross-cutting." Each of the 25 initiatives is assigned to one of these portfolios, according to the type of results the initiative is intended to provide. Further, for each initiative, OMB designated a specific agency to be the initiative's "managing partner," responsible for leading the initiative, and assigned other federal agencies as "partners" in carrying out the initiative. Figure 1 provides an overview of the e-government management structure established by OMB.

[4] Office of Management and Budget, *E-Government Strategy* (Washington, D.C.: Feb. 27, 2002).

Figure 1: OMB Management Structure for e-Government Initiatives



Sources: GAO and OMB.

To oversee implementation of the initiatives, OMB has required managing partners of the initiatives to submit a series of specific planning documents. Work plans submitted by agencies in May 2002 were among the first of these documents. The work plans document agreements reached between OMB and managing partner agencies on the scope and direction of each of the initiatives. Another key planning document required for all active e-government initiatives is

a structured business case that is updated annually as part of the budget development process.

In November 2002, we reported on the completeness of the information used in selecting and overseeing the 25 e-government initiatives.[5] We determined that despite the importance that OMB attached to collaboration and customer focus in its e-government strategy, fewer than half of the initiatives' initial business cases addressed these topics. We subsequently reviewed the challenge of achieving effective interorganizational collaboration within four of the initiatives, e-Payroll, Geospatial One-Stop, Integrated Acquisition Environment (IAE), and Business Gateway.[6] We found that while the four initiatives had all taken steps to promote collaboration with their partner agencies, none had been fully effective in adopting key practices to fully involve important stakeholders. We made recommendations to each of the four managing partner agencies responsible for these initiatives to more fully adopt key collaboration practices, and all have indicated that they are taking actions that address our recommendations.

Mixed Progress Has Been Made in Achieving the OMB-Sponsored Initiatives' Original Objectives

Overall, mixed progress has been made in achieving the 91 objectives originally defined for the e-government initiatives in their work plans submitted to OMB in May 2002. To date, 33 of the objectives have been fully or substantially achieved; 38 have been partially achieved; and for 17, no significant progress has been made towards these objectives. In addition, 3 of the objectives no longer apply because they have been found to be impractical or inappropriate. For two of the initiatives—Grants.gov and Internal Revenue Service (IRS) Free File—all original objectives have been achieved, and for an additional five,[7] the majority of their original

[5] U.S. General Accounting Office, *Electronic Government: Selection and Implementation of the Office of Management and Budget's 24 Initiatives*, GAO-03-229 (Washington, D.C.: Nov. 22, 2002).

[6] U.S. General Accounting Office, *Electronic Government: Potential Exists for Enhancing Collaboration on Four Initiatives*, GAO-04-6 (Washington, D.C.: Oct. 10, 2003).

[7] These initiatives include e-Clearance, e-Payroll, e-Training, e-Travel, and Integrated Acquisition Environment.

objectives have been achieved. For the other 18 initiatives, most of their objectives are either partially met or not significantly met. Given that OMB's stated criteria in choosing these initiatives included their likelihood of deployment in 18 to 24 months, the substantial number of objectives that are still unmet or only partially met indicates that making progress on these initiatives is more challenging than OMB may have originally anticipated.

A number of the initiatives have made very significant accomplishments. For example, according to project documentation, as of February 2004, the Grants.gov portal allowed prospective grants applicants to find and apply for a total of 835 grant opportunities at 29 grant-making agencies. Similarly, GovBenefits developed a Web portal that currently provides information about over 500 benefits programs at 22 agencies, including some state benefits programs. The portal uses a structured set of questions to identify benefit programs that may apply to citizens, eliminating the need to try to identify such programs individually at separate government agencies. Likewise, the IAE project team has been successful in creating a single point of registration and validation for vendors. The IAE project team has also developed and implemented a directory of interagency contracts that currently references 16,000 contracts.

In contrast, other initiatives have made less progress. For example, Project SAFECOM has made very limited progress in addressing its three objectives, all of which relate to achieving communications interoperability among entities at various levels of government. Since its inception 2 years ago, management teams for the project have changed four times among three different federal agencies. The e-Loans initiative has made slow progress over its 2-year history and still does not have its central portal for locating loan information operational, although such a portal—GovLoans.gov—is scheduled to come online in April 2004. An extensive effort to re-scope that initiative soon after it began took up the first year of that project.

It is important to note that the scope and specificity of the initiatives' original objectives vary widely. The number of objectives per initiative varies from one to six, with some being specific near-term tasks, while others represent broader goals associated with transforming government. One of the e-Payroll initiative's

objectives, for example, was simply to develop a business case—something that was actually required of all the initiatives. On the other hand, Project SAFECOM's three objectives called for achieving effective communications interoperability among emergency personnel at the federal, state, and local levels—broad objectives that could not realistically be expected to be fully realized in 18 to 24 months. Between these extremes, many of the objectives fell into recurrent categories, such as developing a Web portal for consolidated information dissemination (Recreation One-Stop, GovBenefits.gov, Grants.gov, and USA Services), providing the capability to conduct transactions online (IRS Free File, e-Loans, Grants.gov, and e-Vital), consolidating duplicative agency systems across the federal government (e-Travel, e-Rulemaking, and e-Payroll), and developing government standards (Consolidated Health Informatics, e-Authentication, and Geospatial One-Stop). The attachment contains specifics on the status and progress of each of the 25 initiatives in addressing their original objectives.

Initiatives Have Had Varying Success in Addressing Key Management Challenges

Achieving the e-government vision of a seamless federal enterprise offering an order-of-magnitude improvement in service to citizens can be very challenging for agencies used to complex, nonintegrated systems and business processes. The extent to which the 25 initiatives have met their original objectives can be linked to a common set of challenges that they all face, including

- focusing on achievable objectives that address customer needs,
- maintaining management stability through executive commitment,
- collaborating effectively with partner agencies and stakeholders,
- driving transformational changes in business processes, and
- implementing effective funding strategies.

In many cases, how these challenges were addressed has been a contributing factor to whether the initiatives' objectives were satisfactorily met. Initiatives that have overcome these challenges have often met with success in achieving their objectives, whereas

initiatives that have had problems dealing with these challenges have made less progress. I will discuss each of these challenges in more detail and offer some examples of how they have affected specific e-government initiatives.

Focusing on Achievable Objectives That Address Customer Needs

By and large, e-government initiatives that have been able to keep their objectives achievable and customer-focused have been successful in meeting their objectives on time. IT planning best practices indicate that when establishing objectives for a project, an organization should consider the needs of its customers, be realistic in planning, and take into consideration potential obstacles.[8]

The Grants.gov initiative, tasked with creating a portal for federal grant customers to find and apply for discretionary grants online, is an example of an initiative that has been successful in meeting achievable objectives focused on customer needs. The initiative's efforts to date have been focused on the core functions of allowing customers to find potential grants opportunities and to apply for them through the grants.gov portal. In October 2003, the Grants.gov site was deployed with tools that allow a grant applicant to search for grant opportunities via the site, download an application form, and submit the application online. According to project documentation, as of February 2004, the Grants.gov portal allowed prospective grants applicants to find and apply for a total of 835 grant opportunities at 29 grant-making agencies.

In contrast are initiatives such as e-Authentication, which has made slower progress because one of its original objectives was not achievable. The operations concept originally defined for e-Authentication was based on a centralized gateway architecture, and the vast majority of the effort invested in the initiative through the fall of 2003 was devoted to development of this gateway. However, according to the project managers, based on the results of an internal technical advisory board review as well as a GAO

[8] See U.S. General Accounting Office, *Assessing Risks and Returns: A Guide for Evaluating Federal Agencies' IT Investment Decision-Making*, GAO/AIMD-10.1.13 (Washington, D.C.: February 1997) and *Executive Guide: Improving Mission Performance Through Strategic Information Management and Technology*, GAO/AIMD-94-115 (Washington, D.C.: May 1994).

review,[8] the planned centralized gateway was found to be neither technically feasible nor an appropriate solution to the authentication challenge. The e-Authentication initiative was re-focused on setting a framework of policies and standards for agencies to use in procuring commercial products to meet their authentication needs, and the technical architecture for e-Authentication in the federal government has been revised to promote a "federated approach," whereby individual agencies develop independent but interconnected authentication mechanisms as part of their individual e-government initiatives, using products tested and approved by the e-Authentication initiative. The initiative is still in the process of overseeing development of an authentication policy framework and developing a test capability for commercial products so as to be able to provide complete support to government agencies in their acquisition of authentication services.

Another example of an initiative that originally had an unachievable objective is the Consolidated Health Informatics (CHI) initiative. According to the CHI program manager, the original intent of the initiative was to build an application for processing and exchanging standardized electronic medical records. However, through surveys of stakeholder groups, the initiative found wide variances in the kind of information required by groups in the health care community and concluded that developing a standardized electronic record was not feasible. As a result, the CHI initiative refocused its efforts on establishing health data and messaging standards in 24 specific clinical domains that are meant to serve as the building blocks for a future electronic application—a more modest but more achievable objective.

Maintaining Management Stability through Executive Commitment

Because the e-government initiatives are aimed at changing the way the government does business, sustained executive commitment has been critical to their ability to elicit cross-agency cooperation and make progress toward their objectives. Effective top management leadership, involvement, and ownership are a cornerstone of any

[8] U.S. General Accounting Office, *Electronic Government: Planned e-Authentication Gateway Faces Formidable Development Challenges*, GAO-03-952 (Sept. 12, 2003).

effective information technology investment strategy. Strong leadership and stable management are especially critical to the success of transformational programs such as the OMB-sponsored e-government initiatives. Without such leadership, these projects are less likely to be able to meet their objectives.

For several of the e-government initiatives, executive support from OMB has been a critical element in meeting their planned objectives. Initiatives such as e-Payroll and e-Rulemaking benefited from having OMB issue memorandums to federal agencies directing them to participate in the initiatives and, as appropriate, cease operation of their own redundant systems. According to the project's managers, this direction from OMB provided critical support to the initiatives' success. Strong OMB support and attention have also allowed other initiatives to make rapid progress. The Geospatial One-Stop initiative, for example, was able to draft a set of geospatial standards for submission to the American National Standards Institute far more quickly than similar standards had been developed previously. The project manager credited this success largely to the support and visibility that OMB had given the project.

Further, support from the heads of managing partner agencies has also been critical to achieving objectives. For example, the program manager for Grants.gov stated that senior executive support had been critical in obtaining full stakeholder participation on the initiative's executive board. Specifically, the Secretary of Health and Human Services sent letters to the 11 Grants.gov partner agencies in the summer of 2002 requesting that each partner agency identify a senior member to sit on the executive board. Without such support, it would have been difficult to obtain full participation by senior officials, according to the program manager.

In contrast, Project SAFECOM, for example, has experienced frequent changes in management, which have hampered progress towards its overall objective of achieving communications interoperability[10] among emergency response personnel at all levels of government. OMB originally designated the Department of the Treasury as the project's managing partner, but in May 2002,

[10] Interoperability is the ability of two or more systems or components to exchange information and to use the information that has been exchanged.

oversight responsibility was given to the Federal Emergency Management Agency (FEMA). By September 2002, FEMA had replaced its original SAFECOM management team and changed its implementation strategy for the project. Then, following the establishment of the Department of Homeland Security in May 2003, the project was taken out of FEMA and assigned to the department's new Science and Technology Directorate. At that time, the project gained its fourth management team and once again "started over" by devoting its energies to defining a new strategy for achieving the project's overall objective. The changing of project teams approximately every 6 to 9 months meant that much of the effort spent on the project was made repeatedly to establish administrative structures, develop program plans, and obtain stakeholder input and support. After more than 2 years, Project SAFECOM has made very limited progress in achieving its overall objective of emergency communications interoperability among entities at all levels of government.

Collaborating Effectively with Partner Agencies and Stakeholders

Many federal agencies have found it challenging to establish effective ways of collaborating across agencies and with other levels of government. In the context of electronic government, collaboration can be defined as a mutually beneficial and well-defined relationship entered into by two or more organizations to achieve common goals. Recent management reform efforts within the federal government have focused on collaboration as a way to reduce duplication and integrate federal provision of services to the public. Collaboration is also a key theme of the President's management agenda. In October 2003, we reported on the extent to which federal agencies and other entities had been collaborating on four of the OMB-sponsored initiatives, and found that varying degrees of collaboration had been achieved.[11] We made recommendations to the managing partner agencies for each initiative to enhance the effectiveness of collaboration as a tool to use in achieving their objectives.

[11] U.S. General Accounting Office, *Electronic Government: Potential Exists for Enhancing Collaboration on Four Initiatives*, GAO-04-6 (Washington, D.C.: Oct. 10, 2003).

The Integrated Acquisition Environment (IAE) initiative provides an example of effective collaboration. GSA adopted a variety of effective collaboration practices that have contributed to progress in advancing the goals of the initiative. For example, the project team developed a formal charter outlining the objectives, tasks, and roles and responsibilities of project partners, and it is in the process of completing implementation of memorandums of agreement with all participating agencies to further define their roles and financial responsibilities. Further, successful collaboration contributed to achieving the goal of establishing the Business Partner Network as a central point of access for the initiative. Specifically, effective collaboration with the Small Business Administration (SBA) helped facilitate termination of SBA's competing and redundant Pro-Net. SBA was one of IAE's original partner agencies, was involved in developing IAE's charter, and contributed staff to help achieve IAE's objectives.

In contrast, the limited progress of the Business Gateway project highlights the importance of developing collaborative relationships that include specific resource commitments. As we reported in October 2003, one of the key characteristics that contribute to the success of cross-organizational collaboration is that each participating organization contributes resources in the form of human capital or funding. However, until recently, the Business Gateway initiative did not use this approach. Instead, the project relied solely on SBA, its managing partner, to fund the initiative. Officials from partner agencies told us that because they did not provide funds for the initiative, they had little input in the decision-making process and, as a result, did not have a strong incentive to participate. In part because of poor collaboration, the Business Gateway initiative has not completed any of its original objectives. SBA officials stated that its funding strategy had recently been amended to seek funding from partner agencies. Officials reported that the revised funding strategy is currently under review by the project's governance board.

In the case of e-Vital, project officials found they could not sustain collaborative working relationships with state governments and, as a result, the project failed to complete one of its main objectives—to simplify, through the use of Internet-based technology, processes associated with collecting, reporting, and verifying vital records.

Although a system for making death record information available electronically was developed and is in use, a more comprehensive system was terminated after the pilot phase. According to project officials, the project team piloted an automated electronic system for verification of vital events in eight states, which proved successful in providing electronic access to vital records. However, the project was terminated in December 2003 because state governments, as represented by the National Association of Public Health Statistics and Information Systems, were unwilling to lower their fees for providing vital record information, which are an important source of revenue. The rationale for the initiative had been based on realizing substantial cost savings for the Social Security Administration (SSA) by allowing it to obtain vital records electronically at reduced cost. Given this obstacle, SSA decided to discontinue work on this objective. However, stronger collaboration between the e-Vital initiative and state governments could have led to earlier awareness of the fee problem and a greater joint effort to identify a creative solution that would satisfactorily address the states' financing concerns while simultaneously maintaining the overall objectives of the e-Vital initiative.

Driving Transformational Changes in Business Processes

While some of the initiatives' objectives are relatively simple and straightforward—such as developing a Web site to disseminate information—others, aimed at transforming the way government does business with its customers, have been significantly more challenging. If these transformational objectives are not fully achieved, the potential of e-government to facilitate order-of-magnitude improvements in services to citizens may not be realized.

The Department of Labor's GovBenefits.gov initiative offers an example of the relative status of transformational and non-transformational objectives. Although the project team has successfully achieved its objective of creating a Web portal to assist citizens in identifying government benefit programs, it has not yet addressed its transformational objective of streamlining the process of applying for these benefits. According to project officials, it has been very difficult to develop a common application for government benefits, because each program has unique requirements and has processes in place based on collecting unique kinds of data. With

OMB's support, the project team has defined a data standardization process—including a governance board to define standard data elements for benefits eligibility—that will be used during the next phase of the project. Because project officials are unsure how long this process will take, no milestone has yet been set for completing this objective.

The Environmental Protection Agency's e-Rulemaking initiative has had a similar experience. The project has made progress on one of its objectives through the launch of www.regulations.gov, which provides citizens with the ability to locate and submit comments electronically on proposed rules that are open for comment in the Federal Register. However, the initiative also includes a more transformational objective that will require additional time to achieve. Specifically, the ability to search full rulemaking dockets—the complete set of publicly available material (i.e., economic analyses, models, etc.) associated with a proposed rule—is not yet available and is contingent on developing a governmentwide electronic docket system and migrating all other rulemaking agencies' existing systems to the new system. Program officials currently plan to implement a first version of the centralized system by the end of January 2005 and expect that all other rulemaking agencies will migrate to it by mid–fiscal year 2006.

The General Service Administration's e-Travel initiative, which was tasked with automating and consolidating the federal government's travel process, is an example of an initiative that, like e-Rulemaking, is intended to consolidate redundant government operations, and that will require additional time to complete. Full achievement of this initiative's objectives requires that federal civilian agencies shut down existing travel management systems, and migrate to service provided by one of three e-Travel systems vendors. One step in the process of implementing this initiative was a change in a federal travel regulation that requires all affected agencies to submit migration plans to the e-Travel program management office by March 31, 2004, and migrate to an approved system for full agencywide use by September 30, 2006. According to the project manager, the process of migrating all affected federal agencies to approved systems is complex and could not be completed within the 18-to-24-month time frame set by OMB as a benchmark for the e-government initiatives.

Implementing Effective Funding Strategies

Implementing effective funding strategies has been another significant challenge for the e-government initiatives. In a recent survey conducted by the Information Technology Association of America,[12] Chief Information Officers (CIO) expressed concern that funding for e-government was not integrated into the annual budget process and that OMB has required agencies to take resources out of existing programs to advance e-government. Project officials reported adopting a variety of funding strategies to try to keep their projects on schedule.

Some initiatives have been successful in tapping into stable sources of funds, thus helping to minimize project delays. For example, OMB instructed agencies to spend their fiscal year 2003 payroll-related funds only in association with the e-Payroll initiative. The e-Payroll initiative received redirected fiscal year 2003 funds from agencies based on this guidance. Other initiatives, particularly Grants.gov and e-Rulemaking, have successfully developed and achieved consensus with partner agencies on funding contributions based on agency-unique characteristics, such as the volume of business an agency expects to conduct in conjunction with the initiative or the number of agency components that plan to participate. In these cases, effective funding strategies have been closely linked with effective collaboration strategies.

In other cases, funding strategies adopted by project teams have not helped reduce risk. With e-Records Management, for example, partner agencies have been held responsible for providing funds for the specific project components for which they act as leads. This approach is intended to encourage agency collaboration, as agencies become stewards for specific project deliverables. However, the risk of such an approach is that if expected funding from certain agencies is not provided, then an entire component of the project can be delayed. According to project officials, delays in the piloting of an enterprisewide e-Records management system occurred because the lead agency, the Environmental Protection Agency, had decreases in its fiscal year 2004 appropriations resulting in insufficient funding for the project.

[12] Information Technology Association of America, *CIO: Catalyst for Business Transformation* (Arlington, VA: March 2004).

In the case of Project SAFECOM, a lack of shared resource commitments has contributed to slow progress. According to project officials, during fiscal year 2003, SAFECOM received only about $17 million of the $34.5 million OMB allocated to it to be contributed by partner agencies. Further, more than $1.4 million of that amount was not received until late September 2003, when only a week remained in the fiscal year. According to program officials, these funding shortfalls and delays resulted in the program's having to delay some of the tasks it had intended to complete, such as establishing the project's major milestones.

The challenge of identifying and instituting effective funding strategies for cross-agency initiatives remains. Regardless of what innovations agencies may make in attempting to obtain funds, the risk remains that without reliable funding mechanisms, these initiatives may face significant delays in achieving their objectives.

Having taken on a broad set of objectives to improve a wide variety of important government services, the 25 e-government initiatives sponsored by OMB have made mixed progress over their 2-year history. In some cases, citizens have been given valuable new capabilities to interact and conduct business more efficiently with their government. The Grants.gov portal, for example, now allows prospective grants applicants to find and apply for hundreds of grant opportunities across the government. Similarly, the GovBenefits portal also provides information about hundreds of benefits programs at 22 different agencies, including some state benefits programs. At the same time, however, other initiatives have had trouble addressing their original objectives, completing them slowly or changing them significantly. Consolidated Health Informatics, for example, dropped plans to develop a standardized electronic health record because it proved infeasible, just as the e-Authentication initiative dropped plans for a centralized gateway, which also turned out to be impractical. Until the initiatives fully deal with the challenges of maintaining management stability through executive commitment, collaborating effectively with partner agencies and stakeholders, driving transformational changes in business processes, and implementing effective funding strategies, they are unlikely to be able to fully meet their objectives

and realize the potential of e-government to facilitate order-of-magnitude improvements in services to citizens. It will be important that the initiatives' managing partners focus on fully addressing these challenges as they continue to progress.

Contact and Acknowledgements

If you should have any questions about this testimony, please contact me at (202) 512-6240 or via e-mail at *koontzl@gao.gov*. Other major contributors to this testimony included Shannin Addison, Elizabeth Bernard, Barbara Collier, Felipe Colón, Jr., John de Ferrari, and Jamie Pressman.

Attachment. Status and Progress of the 25 e-Government Initiatives

Business Gateway

Managing partner agency: Small Business Administration (SBA)

Purpose: Reduce the burden on businesses by making it easy to find, understand, and comply (including submitting forms) with relevant laws and regulations at all levels of government.

Reported fiscal year 2004 budget: $8.2 million

Table 1: Status of Original Business Gateway Objectives

Objectives	Assessed status
Allow businesses to easily get information about the federal, state, and local laws and regulations that apply to them.	◑
Provide businesses access to online tools that will help them determine applicable laws and regulations, whether they are in compliance with such laws and regulations, and what to do/where to go to achieve compliance.	◑
Allow businesses to register online, at the state level, and apply to receive selected federal, state, and local licenses and permits.	◑

Source: GAO analysis of SBA data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

The Business Gateway initiative (formerly Business Compliance One-Stop) was originally planned to be implemented in two phases, both of which together would address the initiative's first objective. Only the first phase has been completed. Phase one was to implement a Web portal intended to serve as a single place for finding "plain English" legal guides and legal and regulatory information. This Web portal, www.BusinessLaw.gov, became operational in December 2001. The second phase was to make the portal more interactive by developing a new navigation tool, offering a range of automated compliance assistance tools and prototyping a transaction engine for integrated business registration, online licensing, and permitting. However, by July 2003, SBA had made only limited progress toward achieving expanded capabilities of the portal. A pilot version of the planned navigation tool had been

implemented, but only 4 of the 30 planned automated compliance assistance tools had been developed. On July 1, 2003, OMB announced that the project would be refocused on reducing the paperwork burden on small businesses.[13]

To address the second objective, the initiative plans to (1) develop an electronic catalog listing both electronic and paper forms and (2) consolidate other Web-based information resources such as Business.gov and BusinessLaw.gov. Regarding the last objective, SBA reported that pilot projects are under way with Illinois and Georgia.

Performance

The table lists key performance metrics planned for the Business Gateway initiative.

Table 2: Performance Metrics

Metric	Target	Reported status
Time savings for business compliance and filing	Reduce by 50%	Not reported
Regulatory agency savings through transition to compliance from enforcement through automated processes	Increase by 25%	Not reported
Number of days reduced for issuing permits and licenses	Not reported	Not reported
Cycle time to issue permits and licenses issued	Within 24 hours	Not reported
Number of visitors/page views	Increase by 10–20%	Not reported
Reduction in redundant IT investments	Not reported	Not reported

Source: President's Fiscal Year 2005 Budget submission.

[13] For additional discussion of Business Gateway's past progress, see U.S. General Accounting Office, *Electronic Government: Potential Exists for Enhancing Collaboration on Four Initiatives*, GAO-04-6 (Washington, D.C.: Oct. 10, 2003).

Consolidated Health Informatics (CHI)

Managing partner agency: Health and Human Services (HHS)

Purpose: Adopt a portfolio of health information interoperability standards enabling all agencies in the federal health enterprise to "speak the same language" based on common enterprisewide business and information technology architectures.

Reported fiscal year 2004 budget: This initiative is supported entirely by contributions of staff time and other nonfinancial resources from HHS and partner agencies.

Table 3: Status of Original Consolidated Health Informatics Objectives

Objectives	Assessed status
Create a single, integrated, electronic medical record and access infrastructure that could capture health data at the point of care and make it available to government agencies and healthcare organizations that need the information.	∅
Establish a public/private sector consolidated health informatics council to oversee activities undertaken as part of the initiative.	●

Source: GAO analysis of HHS data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

According to the CHI program manager, the initiative was substantially re-scoped early in its development and, as a result, no longer plans to address its original first objective. According to the program manager, the original intent was to build an application for processing and exchanging standardized electronic medical records. However, project staff surveyed a range of stakeholders and found wide variances in the kind of information that was needed by different groups within the health care community and concluded that developing a single standardized electronic medical record was not feasible. As a result, the CHI initiative was refocused on establishing health data and messaging standards in 24 specific clinical domains (i.e., medications, demographics, immunizations, etc.) that are to serve as building blocks for an electronic medical

record. In March 2003, 5 of the 24 planned standards were rolled out for use by federal agencies. CHI plans final rollout of all 24 clinical domains by the end of spring 2004. The second original objective still applies. The CHI initiative instituted a CHI Council consisting of federal agencies, including the Departments of Defense and Veterans Affairs and the Social Security Administration. The council meets every 2 weeks and has component working groups that are tasked to work on specific clinical domains. The council established a partnership with the National Committee on Vital Health Statistics to obtain input from the private sector on the 24 proposed clinical domain standards.

Performance

The table lists key performance metrics planned for the Consolidated Health Informatics initiative.

Table 4: Performance Metrics

Metric	Target	Reported status
Number of federal agencies and systems using CHI standards to store and/or share health information	Not reported	Not reported
Number of contracts requiring the standards	Not reported	Not reported
Impact on patient service, public health, and research	Not reported	Not reported
Percentage increase in common data available to be shared with users	Not reported	Not reported

Source: President's Fiscal Year 2005 Budget submission.

Disaster Management

Managing partner agency: Department of Homeland Security (DHS)

Purpose: Provide federal, state, and local emergency managers online access to disaster management related information, planning, and response tools.

Reported fiscal year 2004 budget: $35.3 million

Table 5: Status of Original Disaster Management Objectives

Objectives	Assessed status
An easy to use, unified point of access to disaster management knowledge and services	◑
Accelerated and improved quality of disaster mitigation and response	○

Source: GAO analysis of DHS data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

Currently the disaster management Web site (www.disasterhelp.gov) has a variety of information about disaster management activities and links to many agency Web sites that provide further information and services. Several specific tasks were established under the first objective, and one of these is partially complete—to deploy an integrated portal for access to disaster management services and tools. Regarding the second objective, the initiative has not begun addressing how to accelerate and improve the quality of disaster mitigation and response. Although the overall objectives for Disaster Management have not changed, the project has changed its implementation approach, based on input from stakeholders at the state and local level. Specifically, the project originally intended to develop a complete set of electronic tools to assist state and local officials in managing disaster response. However, stakeholders expressed a clear preference to continue using existing commercial products, and OMB concurred with Homeland Security's decision to re-scope the

planned work to better meet stakeholder needs. As re-scoped, the project is planned to focus on facilitating connectivity among existing disaster management systems by developing data exchange standards and providing supporting telecommunications links.

Performance

The table lists key performance metrics used for the Disaster Management initiative and their reported status.

Table 6: Performance Metrics

Metric	Target	Reported status
Reduce response recovery time by 15%	Reduction by 15%	Not reported
Improve situational awareness planning capability by 25%	Improve capability by 25%	Not reported
Increase the number of first responders using Disaster Management Interoperability Services (DMIS) tools by 10%	Increase usage by 10%	1,500 first responders trained to use DMIS tools as of November 13, 2003; DMIS delivered to almost 300 user groups
Number of registered users in DisasterHelp.gov	Not reported	10,291 as of November 11, 2003

Source: President's Fiscal Year 2005 Budget submission.

e-Authentication

Managing partner agency: General Services Administration (GSA)

Purpose: Minimize the burden on businesses, the public, and government when obtaining services online by providing a secure infrastructure for online transactions, eliminating the need for separate processes for the verification of identity and electronic signatures.

Reported fiscal year 2004 budget: $9.27 million

Table 7: Status of Original e-Authentication Objectives

Objectives	Assessed status
Develop an outreach program to the e-Gov initiatives, industry, and citizen groups.	●
Define operation concepts, to include critical success factors and requirements, in conjunction with each e-Gov initiative.	◑
Identify ease of use requirements in conjunction with portfolio managers.	◑
Develop an authentication capability that will support multiple levels of assurance.	∅

Source: GAO analysis of GSA data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; O = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

Of e-Authentication's four original objectives, the team has completed one, partially completed two others, and developed a new objective to replace its original fourth objective, which was terminated. The operational concept originally defined for e-Authentication was based on a centralized gateway architecture, and the vast majority of the effort invested in the initiative through the fall of 2003 was devoted to development of this gateway. However, based on the results of an internal technical advisory board review as well as a GAO review,[14] the planned centralized

[14] U.S. General Accounting Office, *Electronic Government: Planned e-Authentication Gateway Faces Formidable Development Challenges*, GAO-03-952 (Sept. 12, 2003).

gateway was found to be neither technically feasible nor an appropriate solution to the authentication challenge. The e-Authentication initiative is now focused on setting a framework of policies and standards for agencies to use in procuring commercial products to meet their authentication needs, and the technical architecture for e-Authentication in the federal government has been revised to promote a "federated approach."

The project team has developed an extensive outreach effort, including a series of public meetings and presentations involving both citizen groups and industry, which address the project's first objective. Regarding the second objective, project officials have been working with the other e-government initiatives to define their e-Authentication requirements using an electronic risk assessment tool. Regarding the third objective, the e-Authentication project did not identify ease-of-use requirements in conjunction with portfolio managers. Instead, the team is working on addressing ease-of-use issues within the process of assessing stakeholder requirements.

Performance

The table lists key performance metrics used for the e-Authentication initiative and their reported status.

Table 8: Performance Metrics

Metric	Target	Reported status
Cost avoidance from a coordinated and streamlined approach	Not reported	Not reported
Minimum number of different credentials required to do business with the government online	Not reported	Not reported
Number of accredited credential providers	Not reported	12 as of March 15, 2004
Number of interoperable authentication products	Not reported	3 as of December 31, 2003
Percentage of citizens trusting transactions with the government	Not reported	24 percent of Americans are "high trusters," according to a Pew survey in April 2003

Source: President's Fiscal Year 2005 Budget submission.

e-Clearance

Managing partner agency: Office of Personnel Management (OPM)

Purpose: Streamline and improve the quality of the current security clearance process.

Reported fiscal year 2004 budget: $9.96 million

Table 9: Status of Original e-Clearance Objectives

Objectives	Assessed status
Create a common, secure, and standardized source of investigative information to support employee assignment decisions.	●
Connect OPM's Security/Suitability Investigations Index (SII) with DOD's Joint Personnel Adjudication System (JPAS).*	●
Cause civilian agencies to "load" their clearance information into the SII in order to centralize the data.	●
Allow individuals to complete and submit forms electronically to security personnel and for security personnel to submit electronically to their investigative supplier.	●
Reduce future paper investigations records to electronic versions and make them universally accessible to authorized users on a real time basis.	◑
Ensure all e-Clearance systems have appropriate privacy and security protections necessary to assure the data are adequately protected.	◑

Source: GAO analysis of OPM data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

*For an assessment of DOD's clearance process, see U.S. General Accounting Office, *DOD Personnel Clearances: DOD Needs to Overcome Impediments to Eliminating Backlog and Determining Its Size*, GAO-04-344 (Washington, D.C.: Feb. 9, 2004).

Project Progress

The Clearance Verification System, which addresses objective 1, was completed in February 2003, and e-Clearance connected with JPAS in December 2002 (objective 2). Further, all existing clearance data have been loaded into SII (objective 3), and the Electronic Questionnaire for Investigations Processing (e-QIP) has been made available to allow individuals to complete and submit forms electronically (objective 4). The fifth objective is partially complete;

major investigative agencies have begun imaging their paper files. Finally, e-Clearance is in the process of certifying and accrediting the various elements of its systems to assure security and privacy.

Performance

The table lists key performance metrics used for the e-Clearance initiative and their reported status.

Table 10: Performance Metrics

Metric	Target	Reported status
Cost per application	Not reported	Not reported
Reciprocation between agencies	Not reported	Not reported
Average time to process clearance forms	Not reported	Not reported
Average time to complete clearance forms	Not reported	2 hours as of June 23, 2003
Time to locate and evaluate previous investigations and clearances	Not reported	Not reported

Source: President's Fiscal Year 2005 Budget submission.

e-Loans (Online Access for Loans)

Managing partner agency: Department of Education

Purpose: Create a single point of access for citizens to locate information on federal loan programs, and improve back-office loan functions.

Reported fiscal year 2004 budget: $1.81 million

Table 11: Status of Original e-Loans Objectives

Objectives	Assessed status
Provide a single point of entry to allow citizens and businesses to find and apply for loan programs.	◑

Source: GAO analysis of Education data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

The e-Loans Web site (GovLoans.gov) is currently in prototype stage and is planned to be operational in April 2004. Originally the initiative was intended to develop a consolidated central portal for identifying and applying for government-sponsored loans. However, the objectives for this initiative changed in September 2002, after project officials conducted extensive outreach to better identify the needs of their stakeholders. They discovered that the original business case for the initiative did not recognize the significant role played by private-sector lenders and other providers in delivering loans and loan services. Accordingly, the project's objectives were revised to (1) create an easy-to-find, single point of access to government loan-related services, (2) reduce the reporting burden on businesses, (3) share information more quickly and conveniently between federal agencies, and (4) automate internal processes.

Performance

The table lists key performance metrics established for the e-Loans initiative.

Table 12: Performance Metrics

Metric	Target	Reported status
Number of clicks to access relevant loan information	Not reported	Not reported
Improve agency access to risk mitigation data	Not reported	Not reported

Source: President's Fiscal Year 2005 Budget submission.

Enterprise Human Resources Integration (EHRI)

Managing partner agency: Office of Personnel Management (OPM)

Purpose: Streamline and automate the electronic exchange of standardized human resources (HR) data needed for creation of an official employee record across the executive branch. Provide comprehensive knowledge management workforce analysis, forecasting, and reporting across the executive branch for the strategic management of human capital.

Reported fiscal year 2004 budget: $32.2 million

Table 13: Status of Original EHRI Objectives

Objectives	Assessed status
Develop the methods and means to support integrated resource forecasting and planning policy analysis.	◑
Transform the manual data currently captured on paper forms into a readily accessible electronic medium.	◑
Improve data accuracy and integrity through employee self-validation.	○
Modernize governmentwide HR record keeping, sourcing, and reporting practices.	○
Analyze OPM's Retirement Systems Modernization data requirements and incorporate into the EHRI Logical Data Model.	◑
Promote data standardization, architectural integrity, and interoperability across the spectrum of HR e-Gov initiatives.	●

Source: GAO analysis of OPM data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

Regarding the first objective, to date EHRI has made HR workforce analysis and forecasting tools available to 15 agencies, but has not developed the means to support planning policy analysis. A pilot for conversion of manual data is to be implemented in fiscal year 2004. According to the project manager, EHRI has not yet taken steps to improve data accuracy and integrity through employee self-validation nor has it modernized government HR record-keeping practices. EHRI has analyzed the Retirement Systems Modernization

data and plans to incorporate data requirements by September 30, 2004. EHRI is actively participating in and contributing to the construction of OPM's enterprise architecture, and coordinating with other OPM initiatives on data requirements, standards, and technology to promote data standardizations, architectural integrity, and interoperability.

Performance

The table lists key performance metrics established for the Enterprise HR Integration initiative.

Table 14: Performance Metrics

Metric	Target	Reported status
Cost/cycle time savings per transaction due to reduction in manual paper processing	Not reported	Not reported
Time for intra-agency transfers	Not reported	Not reported
Usage of analytics by all cabinet-level agencies in the human capital planning process	Not reported	Not reported

Source: President's Fiscal Year 2005 Budget submission.

e-Payroll

Managing partner agency: Office of Personnel Management (OPM)

Purpose: Consolidate 22 federal payroll systems to simplify and standardize federal human resources/payroll policies and procedures to better integrate payroll, human resources, and finance functions.

Reported fiscal year 2004 budget: $56.1 million

Table 15: Status of Original e-Payroll Objectives

Objectives	Assessed status
Develop a business case.	●
Benchmark federal payroll services and systems.	●
Integrate payroll policy with HR policy.	◑
Incorporate partners in decision process.	●
Leverage existing investments.	◑

Source: GAO analysis of OPM data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; Ø = objective no longer applicable.

Project Progress

E-Payroll has completed three of its five objectives: a business case has been completed, an initial benchmarking study was completed for 26 agencies, and partners have been incorporated in the decision-making process. With regard to the third objective, e-Payroll officials have identified approximately 92 specific payroll policy issues and have resolved four of them to date. According to the project manager, e-Payroll providers are working to leverage existing investments but have not completed this objective.

Performance

The table lists key performance metrics established for the e-Payroll initiative.

Table 16: Performance Metrics

Metric	Target	Reported status
Payroll cost per transaction/per employee	"In line with industry averages"	Not reported
Accuracy of Treasury disbursements, post payroll interfaces, and periodic reporting	Not reported	Not reported

Source: President's Fiscal Year 2005 Budget submission.

e-Records Management

Managing partner agency: National Archives and Records Administration (NARA)

Purpose: Provide policy guidance to help agencies to better manage their electronic records, so that records information can be effectively used to support timely and effective decision making, enhance service delivery, and ensure accountability. Four major issue areas are correspondence management, enterprisewide electronic records management, electronic information management standards, and transferring permanent records to NARA.

Reported fiscal year 2004 budget: $0.6 million

Table 17: Status of Original e-Records Management Objectives

Objectives	Assessed status
Providing correspondence management models to enable agencies to use modern techniques for cross-agency decision making and correspondence.	∅
Developing revised baseline functional requirements for records management applications for governmentwide use.	●
The development of enterprisewide e-records management practices.	◑
Giving agencies tools for transferring electronic records to the National Archives in a variety of data types and formats so that records may be preserved for future government and citizen use.	◑

Source: GAO analysis of NARA data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

According to the project managers, the first objective was terminated based on stakeholder input that there was no need for a correspondence tracking system. Regarding the second objective, NARA established baseline functional requirements for records management applications by issuing guidance endorsing the use of Defense Department standards. Concerning the development of enterprisewide e-records management practices, progress was

reported to be partially complete. The initiative issued guidance on capital planning for enterprisewide record management applications in June 2003. NARA is awaiting OMB approval of draft guidance that would direct agencies in developing agency-specific electronic record management system requirements. Additionally, part of the planned effort to address the third objective has been delayed due to funding shortfalls. For the last objective, four of the six planned data standards types—which serve as the initiative's tools for transferring electronic records—have been defined.

Performance

The table lists key performance metrics planned for the e-Records Management initiative and their reported status.

Table 18: Performance Metrics

Metric	Target	Reported status
Percent of eligible data items archived/preserved electronically	Not reported	Not reported
Document search/retrieval burden	Not reported	Not reported
Document recovery burden	Not reported	Not reported
Median time for processing archival electronic records	250 calendar days	759 calendar days

Source: President's Fiscal Year 2005 Budget submission.

e-Rulemaking

Managing partner agency: Environmental Protection Agency (EPA)

Purpose: Allow citizens to easily access and participate in the rule making process. Improve access to, and quality of, the rulemaking process for individuals, businesses, and other government entities while streamlining and increasing the efficiency of internal agency processes.

Reported fiscal year 2004 budget: $11.5 million

Table 19: Status of Original e-Rulemaking Objectives

Objectives	Assessed status
Provide an easy and consistent way for the public to find and comment on proposed rules.	●
Create a governmentwide, centralized online capability to access and search all publicly available regulatory material.	◑
Build a unified, cost-effective "back room" regulatory management system to ensure efficiency, economies of scale, and consistency for public customers and the government.	○

Source: GAO analysis of EPA data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; Ø = objective no longer applicable.

Project Progress

In January 2003, www.regulations.gov was launched, which enables citizens and businesses to search for and respond electronically to proposed rules open for comment in the *Federal Register*.[15] The ability to search full rulemaking dockets—the complete set of publicly available material (i.e., economic analyses, models, etc.) associated with a proposed rule—is not yet available and is contingent on developing a governmentwide electronic docket system. At the request of OMB, the e-Rulemaking initiative was asked to reassess the centralized architecture it had originally

[15] For a more detailed examination of the first phase of this initiative, see U.S. General Accounting Office, *Electronic Rulemaking: Efforts to Facilitate Public Participation Can Be Improved*, GAO-03-901 (Washington, D.C.: Sept. 17, 2003).

proposed for this system, identify alternatives, and submit a recommendation to OMB. The e-Rulemaking executive committee submitted its recommendation to adopt a centralized architecture to OMB in late February 2004. Officials expect OMB to endorse this recommendation in the near future. Program officials anticipate rolling out "Version 1.0" by the end of January 2005 and expect all other rulemaking agencies will migrate to it by mid–fiscal year 2006. Development of a regulatory management system (objective 3) will depend on implementation of the docket architecture, and, according to program officials, OMB has directed that agency participation in this objective be voluntary.

Performance

The table lists key performance metrics used for the e-Rulemaking initiative and their reported status.

Table 20: Performance Metrics

Metric	Target	Reported status
Number of electronic comments submitted through Regulations.gov	200,000	509
Number of downloads of rules and regulations	4,000,000	More than 700,000 page views or downloads from July to November 2003
Number of public participants in the rulemaking process	150,000	Almost 200,000 unique visitors to Regulations.gov from January through November 2003
Number of online docket systems decommissioned with the associated cost savings and cost avoidance	5 systems, $8 million in cost savings, $5 million cost avoidance	Not reported

Source: President's Fiscal Year 2005 Budget submission.

e-Training

Managing partner agency: Office of Personnel Management (OPM)

Purpose: Create a premier e-Training environment that supports development of the federal workforce through simplified and one-stop access to high quality e-Training products and services, and thus advances the accomplishment of agency missions.

Reported fiscal year 2004 budget: $19.4 million

Table 21: Status of Original e-Training Objectives

Objectives	Assessed status
Reduce redundancies and provide economies of scale for the purchase, development, and implementation of e-learning products and services across government.	●
Implement a premier e-training portal that provides enhanced one-stop access to high quality training and development opportunities for government employees.	●
Provide increased access to common need government-centric/high-interest e-training courses.	●
To support and advance the use of "communities of practice" to improve human capital within agencies and across the federal government.	◑

Source: GAO analysis of OPM data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

According to the project manager, the project realized $15 million in cost avoidance/savings in fiscal year 2003 by reducing redundancies in federal training programs and providing economies of scale (objective 1). GoLearn.gov was launched in July 2002, with additional modules released in January and September 2003 (objective 2). The e-Training initiative has provided increased access to government-oriented courses, such as "Merit Systems Principles and Prohibited Personnel Practices" and "Foreign Voting Assistance" (objective 3). In September 2003 the initiative implemented the Competency Management Center on its GoLearn.gov site. The Competency Management Center currently

contains career path and competency data for the IT workforce based on the CIO Council's IT Workforce Development Roadmap. Additional communities in the acquisition, human resources, and finance domains will be added with the September 2004 update (objective 4).

Performance

The table lists key performance metrics used for the e-Training initiative and their reported status.

Table 22: Performance Metrics

Metric	Target	Reported status
Cost avoidance: total tuition/travel cost reductions for participating agencies	Minimum of $50 million in reductions	$15 million as of July 31, 2003
Percent of executive branch agencies receiving their e-Training via GoLearn.gov	Not reported	14 as of July 31, 2003
Number of registered users with GoLearn.gov	Not reported	190,000
Total number of courses completed	Not reported	160,000

Source: President's Fiscal Year 2005 Budget submission.

e-Travel

Managing partner agency: General Services Administration (GSA)

Purpose: Provide a governmentwide Web-based service that applies world-class travel management practices to consolidate federal travel, minimize cost, and produce superior customer satisfaction. From travel planning and authorization to reimbursement, the e-Travel Service (eTs) will leverage administrative, financial, and information technology best practices to realize significant cost savings and improved employee productivity.

Reported fiscal year 2004 budget: $12.4 million

Table 23: Status of Original e-Travel Objectives

Objectives	Assessed status
Rationalize, automate, and consolidate the federal government's travel process. This travel management service will be accessed through the Web and will cover the travel process from planning, authorization, and reservations, to travel claims and voucher reconciliation.	◑
Assess the operational concepts to include critical success factors and requirements.	●
Identify at least three realistic alternative business models.	●
Draft legislative changes, redefine a Travel Management System, and act on enabling regulatory changes.	●

Source: GAO analysis of GSA data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

The e-Travel initiative has taken a number of steps to establish a governmentwide Web-based travel management service. In November 2003, GSA awarded contracts for the Web-based e-Travel system to three vendors. All civilian federal agencies will be required to use the new system by September 30, 2006. Regarding its second objective, the project team developed a concept of operations in December 2001 based on an initial OMB assessment, meetings with partnering agencies, and market and best practices research. According to the project manager, three potential business models were identified (objective 3) including maintaining the

existing paper-based travel process, establishing a simple electronic booking system with paper-based voucher processing, and a full e-Travel option incorporating both electronic booking and electronic voucher processing. The initiative selected the full e-Travel option. Regarding the fourth objective, a federal travel regulation (FTR) that became effective January 21, 2004, outlines three key milestones for agency implementation. Agencies are required to submit migration plans to the e-Travel project management office by March 31, 2004, and have a signed task order to implement eTs with one of the three vendors by December 31, 2004. The FTR also establishes September 30, 2006, as the date by which all agencies covered by the FTR must migrate to the eTs for full agencywide use. According to the e-Travel project manager, an additional objective has been added to the original four that involves development of a business intelligence capability based on analyzing travel data captured by the system.

Performance

The table lists key performance metrics established for the e-Travel initiative.

Table 24: Performance Metrics

Metric	Target	Reported status
Percentage of users expressing high level of satisfaction	Not reported	Not reported
Number of agencies using e-Travel	Not reported	Not reported
Percentage use of e-Travel services within each agency	Not reported	Not reported
Number of trips serviced through e-Travel	Not reported	Not reported
Percentage of trips planned and completed online	Not reported	Not reported
Significant reduction in duplicative systems (Currently 6+ online booking channels, 50+ travel planning/ processing channels, 200+ licensed and government-developed expense reporting systems)	Not reported	Not reported
Reduction in administrative cost per trip	Align with commercial best practices	Not reported

Source: President's Fiscal Year 2005 Budget submission.

e-Vital

Managing partner agency: Social Security Administration (SSA)

Purpose: Establish common electronic processes for federal and state agencies to collect, process, analyze, verify, and share death record information. Also promote automating how deaths are registered with the states.

Reported fiscal year 2004 budget: $2.0 million

Table 25: Status of Original e-Vital Objectives

Objectives	Assessed status
Automate state-based processes for death registration.	◑
Simplify, through use of Internet-based technology, processes associated with collecting, reporting, and verifying vital records.	◑
Establish a framework that will facilitate more efficient processing and effective use of other state-owned vital record information (e.g., divorce, fetal death data).	○

Source: GAO analysis of SSA data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

Of e-Vital's three original objectives, the project team has partially completed two. Regarding the first objective, the team has developed a framework for states to build electronic death registration (EDR) systems, which provide an automated registration process for making death record information available electronically. In addition, they have established standards, guidelines, and requirements for states to use to implement these systems. Three states and New York City have signed contracts to implement EDR and are scheduled to implement the systems by April 2004. Four more states are scheduled to implement EDR by September 2004, and five more by 2005. The Electronic Verification of Vital Events (EVVE), which is intended to provide the federal government with online access to vital records such as birth records, was piloted in 8 states, and it proved successful in providing electronic access to vital records. However, the project

was terminated in December 2003 because state governments were unwilling to lower their fees for providing vital record information. The rationale for the initiative had been based on realizing substantial cost savings for the Social Security Administration (SSA) by allowing it to obtain vital records electronically at reduced cost; however, states were reluctant to forgo an important source of revenue and, in some cases, fees could not be lowered because they were set by state law. Given this obstacle, SSA decided to discontinue work on this objective. According to the SSA officials, no effort is under way to address the third objective, because it is intended to build on the infrastructure of the EDR project once it is in place.

Performance

The table lists key performance metrics established for the e-Vital initiative.

Table 26: Performance Metrics

Metric	Target	Reported status
Time for state to report death to SSA	15 days	Not reported
Number of verified death records	Not reported	Not reported
Time to verify birth and death entitlement factors	24 hours	Not reported
Number of false identify cases	Not reported	Not reported

Source: President's Fiscal Year 2005 Budget submission.

Expanding Electronic Tax Products for Businesses

Managing partner agency: Department of Treasury

Purpose: Reduce the number of tax-related forms that businesses must file, provide timely and accurate tax information to businesses, increase the availability of electronic tax filing, and model simplified federal and state tax employment laws.

Reported fiscal year 2004 budget: $3.2 million, based on official direction by OMB as part of the fiscal year 2004 budget process

Table 27: Status of Original Expanding Electronic Tax Products for Businesses Objectives

Objectives	Assessed status
Reduce the number of tax-related forms that businesses must file and that government agencies must process.	◑
Provide timely and accurate tax information to businesses.	◑
Increase the availability of electronic tax filing.	◑
Simplify federal and state tax employment laws and related reporting requirements.	○

Source: GAO analysis of Treasury data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

The Expanding Electronic Tax Products for Businesses initiative consists of seven separate projects, of which four have been implemented to date. Implementation of these four projects contributes to the partial achievement of the first three objectives. In January 2003, employment tax reporting forms were made available for electronic filing. In April 2003, IRS deployed its Internet-based employer identification number (EIN) tool, allowing businesses to apply for and obtain EINs online. In February 2004, corporate and exempt organization tax returns were made available for electronic submission, completing the third and fourth projects. According to the program manager, the fourth objective is to be addressed by providing support for three additional projects, which

have not yet been implemented: Harmonized Wage Reporting, Standardized EIN, and Single Point Electronic Filing of Form W-2/3.

Performance

The table lists key performance metrics used for the Expanding Electronic Tax Products for Businesses initiative and their reported status.

Table 28: Performance Metrics

Metric	Target	Reported status
Burden reduction for businesses per return and/or application filed	Not reported	290,991 burden hours saved from Internet EIN as of November 29, 2003
Administrative cost to federal government per return filed	Not reported	Not reported
Cycle time to grant EIN—valid EIN granted immediately	Immediately	5 seconds for Internet EIN application
Number of electronic "94x" forms submitted	Not reported	11,244 as of December 5, 2003
Number of electronic "SS-4" forms submitted	Not reported	581,981 as of December 20, 2003
Number of states participating in integrated registration and EIN	Not reported	2 as of July 1, 2003

Source: President's Fiscal Year 2005 Budget submission.

Federal Asset Sales

Managing partner agency: General Services Administration (GSA)

Purpose: Identify, recommend, and implement improvements for asset recovery and disposition, making it easier for agencies, businesses, and citizens to find and acquire/buy federal assets.

Reported fiscal year 2004 budget: $7.24 million

Table 29: Status of Original Federal Asset Sales Objectives

Objectives	Assessed status
Serve as the focal point for the development of a Web-based single point solution to federal asset sales with increased value to the citizen that provides a consistent and standardized experience for the government customer base.	◑
Reduce redundant investments, minimize costs, maximize agency participation, and maximize sales proceeds.	○
Through the use of proven marketplace solutions, increase the number of buyers and active users; enhance satisfaction for agency sellers as well as citizen and business buyers.	○

Source: GAO analysis of GSA data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

According to project officials, the first objective is being addressed through development of Web portals for the sale of excess personal and real property. The team plans to award a contract for the personal property portal in the near future. Project documentation states that the portal will be operational in July 2004. Project officials have scheduled the real property portal contract to be awarded in September 2004. Efforts to draft and award these contracts have taken up most of the time of the initiative, as the initiative has worked to gain stakeholder consensus and approval. According to agency officials, the second and third objectives will also be addressed by implementation of these portals; however, no progress has yet been made on these objectives.

Performance

The table lists key performance metrics used for the Federal Asset Sales initiative and their reported status.

Table 30: Performance Metrics

Metric	Target	Reported status
At least 10 federal departments and agencies actively contributing and supporting Federal Asset Sales effort by offering assets for sale by end of fiscal year 2003	At least 10 agencies	GSA and NASA have committed assets to Federal Asset Sales as of December 2003
Reduce the number of existing Web sites that sell or list federal assets for sale by 25 percent in fiscal year 2004	Reduction by 25 percent	Not reported
Reduce the cost to process a personal property sales transaction by 5 percent in fiscal year 2004	Reduction by 5 percent	Not reported
Increase the number of unique visitors to Federal Asset Sales by 5 times the January 2003 baseline in fiscal year 2004	Increase of 5 times January 2003 baseline	Not reported
Decrease average cycle time associated with the personal property asset disposition process by 21 business days in fiscal year 2004	Decrease cycle time by 21 business days	Not reported
Net proceeds generated through personal property sales	Not reported	Not reported
Net proceeds generated through real property sales	Not reported	Not reported

Source: President's Fiscal Year 2005 Budget submission.

Geospatial One-Stop

Managing partner agency: Department of the Interior

Purpose: Provide federal and state agencies with a single point of access to map-related data to enable consolidation of redundant data.

Reported fiscal year 2004 budget: $9.95 million

Table 31: Status of Original Geospatial One-Stop Objectives

Objectives	Assessed status
Provide fast, low cost, reliable access to geospatial data needed for federal, state, and local government operations.	◑
Facilitate government-to-government interactions needed for vertical missions such as homeland security.	◑
Facilitate the improved delivery of government services to the public.	◑
Obtain multisector input for coordinating, developing, and implementing geographic information standards to create the consistency needed for interoperability and to stimulate market development of tools.	◑

Source: GAO analysis of Interior data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

The Geospatial One-Stop project team has taken actions that partially complete all four of the initiative's original objectives. To address the first objective, in June 2003, the project team developed a portal, www.geodata.gov, intended to provide a central location to identify geospatial data held by both federal and nonfederal agencies. The project plans to award a contract in August 2004 to develop a revised version of the portal. In addition, according to the fiscal year 2005 budget submission, the project team has created a draft framework of data standards that have been submitted to the American National Standards Institute for review. To address the second objective, project officials are working to organize the content of the portal into content categories and lines of business, such as homeland security. According to the executive director, the team is working on the third objective by setting up an online

"marketplace" intended to provide information on federal agencies' future data acquisitions, allowing state and local governments the opportunity to find and potentially make use of geographic information systems (GIS) projects in their areas. Regarding the fourth objective, the project team recently conducted the first of a series of teleconferences aimed at sharing information about federal, state, and local government GIS activities.

Performance

The table lists key performance metrics used for the Geospatial One-Stop initiative and their reported status.

Table 32: Performance Metrics

Metric	Target	Reported status
Number of data sets posted to the portal	Not reported	5,417 as of November 5, 2003
Number of users	Not reported	12,299 unique visitors for month ending November 3, 2003
Number of cost sharing partnerships for data collection activities	Not reported	Not reported
Number of data set hits	Not reported	Not reported
Number of federal agencies posting data sets to geodata.gov	Not reported	16 as of November 3, 2003

Source: President's Fiscal Year 2005 Budget submission.

GovBenefits

Managing partner agency: Department of Labor

Purpose: Provide a single point of access for citizens to locate and determine potential eligibility for government benefits and services.

Reported fiscal year 2004 budget: $11.9 million

Table 33: Status of Original GovBenefits.gov Objectives

Objectives	Assessed status
Provide potential beneficiaries instant access to information for all government benefit programs and services through a single Web site.	●
Enable individuals to apply for benefits online through a streamlined application process.	○

Source: GAO analysis of Labor data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

The GovBenefits program has made progress in allowing citizens to locate and apply for government benefits and services. The GovBenefits.gov portal currently provides information about over 500 benefits programs at 22 agencies, including some state benefits programs. The portal uses a structured set of questions to identify benefit programs that may apply to citizens, eliminating the need to try to identify such programs individually at separate government agencies. According to GovBenefits officials, the project's next phase will focus on working with partner agencies to develop standards for benefit eligibility and application information. GovBenefits officials reported that until such standards are developed, an online application capability cannot be deployed.

Performance

The table lists key performance metrics used for the GovBenefits.gov initiative and their reported status.

Table 34: Performance Metrics

Metric	Target	Reported status
Visits to site per month	350,000	498,743 for month ending October 31, 2003
Number of unique visitors per month	Not reported	251,304 for month ending October 31, 2003
Number of referrals to partner benefit sites	10% increase	35,000 for month ending October 2, 2002; 107,484 for month ending October 31, 2003
Average time to find benefits and determine eligibility	20 minutes or less	15 minutes as of September 1, 2003

Source: President's Fiscal Year 2005 Budget submission.

Grants.gov

Managing partner agency: Health and Human Services (HHS)

Purpose: Create a single portal for all federal grant customers to find, apply for, and ultimately manage grants online.

Reported fiscal year 2004 budget: $10.67 million

Table 35: Status of Original Grants.gov Objectives

Objectives	Assessed status
Pilot a simple, unified way to find grant opportunities via the Web.	●
Evaluate the use or expansion of interagency and agency specific capabilities for discretionary grant programs.	●
Work with e-authentication PMO and privacy groups.	●
Define application data standards.	●
Deploy simple, unified application mechanism.	●

Source: GAO analysis of HHS data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

The Grants.gov initiative (formerly e-Grants) has achieved all of its original objectives. In July 2002, the initiative piloted its "Find" tool, which serves as a simple, unified way for grant applicants to find discretionary grant opportunities via the Internet. In May 2002, a technology evaluation report was published that examined the use or expansion of interagency and agency-specific capabilities including commercial off-the-shelf software. In consultation with the e-Authentication initiative, Grants.gov selected a commercial provider of e-authentication credentials for the Grants.gov site. The initiative worked to define a standard grant application for its "Apply" tool, which would allow an applicant to download an application form and submit an application online. In October 2002, after consultations with stakeholders in the grantee community, an existing OMB-approved standard grant application form already in use by many grant-making agencies was selected for use in the "Apply" tool. On October 31, 2003, the www.Grants.gov site was deployed with both "Find" and "Apply" tools. A grant applicant may

search for grant opportunities via the site, download an application form, and submit the application online. According to project documentation, as of February 2004, the Grants.gov portal allowed prospective grants applicants to find and apply for a total of 835 grant opportunities at 29 grant-making agencies.

Performance

The table lists key performance metrics used for the Grants.gov initiative and their reported status.

Table 36: Performance Metrics

Metric	Target	Reported status
Number of grant-making agencies publishing grant opportunities in portal	Not reported	26 as of December 9, 2003
Number of grant programs available for electronic application	Not reported	6 as of December 9, 2003
Percent of reusable information per grant application	Not reported	Not reported
Number of applications received electronically	Not reported	8 as of December 9, 2003
Number of grant announcements posted in Grants.gov (Total Postings)	Not reported	1,516 as of December 3, 2003

Source: President's Fiscal Year 2005 Budget submission.

Integrated Acquisition Environment (IAE)

Managing partner agency: General Services Administration (GSA)

Purpose: Create a secure business environment that will facilitate and support the cost-effective acquisition of goods and services by agencies, while eliminating inefficiencies in the current acquisition environment.

Reported fiscal year 2004 budget: $44 million

Table 37: Status of Original Integrated Acquisition Environment Objectives

Objectives	Assessed status
Deploy a single point of registration and validation of supplier data accessed by all agencies.	●
Implement a central point for consolidated collection and access of statistical and management information related to government acquisitions.	●
Implement a directory of governmentwide acquisition contracts (GWAC) and multiple award contracts (MAC) to simplify selection and facilitate leverage of government buying.	●
Develop a standard glossary and vocabulary to facilitate exchange of data between and within agencies.	◑
Reduce the cost of and make transparent the ordering, billing, and collections of intergovernmental transactions.	◑

Source: GAO analysis of GSA data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

Three of IAE's five original objectives are complete, and the remaining two objectives are partially complete. The project team developed a single point of registration and validation through IAE's Business Partner Network, which allowed the Small Business Administration to shut down its obsolete Pro-NET. In October 2003, the project launched the Federal Procurement Data System–Next Generation (FPDS-NG), which is intended to be the central point for collection of statistical and management information related to government acquisitions. In addition, the IAE project team developed and implemented an interagency contracts directory,

which became operational in July 2003. The directory references 16,000 contracts as of February 18, 2004. Regarding its fourth objective, the project team has published a first version of eTransaction standards as well as a draft summary Extensible Markup Language guidance. While the fifth objective was listed in the project's May 2002 work plans as involving "intergovernmental" transactions, it was actually intended to refer to intragovernmental (i.e., within the federal government) transactions. The IAE team has registered all agencies for intragovernmental transactions, and it is currently prototyping an intragovernmental transaction system with five agencies.

Performance

The table lists key performance metrics used for the IAE initiative and their reported status.

Table 38: Performance Metrics

Metric	Target	Reported status
Percent reduction in time for delivery of products and services	Not reported	Not reported
Cost-to-spend	Not reported	Not reported
Number of intra-governmental transactions going through the Intragovernmental Transactions Exchange	Not reported	40 as of December 11, 2003
Number of interagency contracts in directory	Not reported	16,000 as of December 11, 2003
Number of vendors registered in the central contractor registration central database	Not reported	262,823 as of December 11, 2003
Percent reduction in procurement transaction errors	Not reported	Not reported
Percent of transactions reported directly to FPDS-NG	Not reported	Not reported

Source: President's Fiscal Year 2005 Budget submission.

Internal Revenue Service (IRS) Free File

Managing partner agency: Department of Treasury

Purpose: Create a single point of access to free online preparation and electronic tax filing services provided by commercial partners to reduce burden and costs to taxpayers.

Reported fiscal year 2004 budget: $406,000[16]

Table 39: Status of Original IRS Free File Objectives

Objectives	Assessed status
Work with a consortium of companies from the electronic tax preparation and filing industry to offer free online tax return preparation to a significant number of taxpayers.	●
Host a Web page for the consortium and provide access to the consortium from appropriate government Web pages.	●

Source: GAO analysis of Treasury data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

Formerly known as EZ Tax Filing, the IRS Free File initiative is now largely complete. The initiative's strategy has been to leverage existing commercial service providers to offer a free tax filing option to some federal taxpayers. According to the IRS Free File program manager, the IRS signed an agreement with the Free File Alliance—a consortium of companies in the electronic tax preparation and filing industry—to make free electronic filing services available to 60 percent of taxpayers on October 30, 2002. On January 16, 2003, the IRS launched the free file service on www.irs.gov. Taxpayers visiting the project's Web site can link to companies that are members of the Free File Alliance and receive free filing services, if taxpayers meet company-defined eligibility requirements, such as a maximum adjusted gross income.

[16] Estimate provided by IRS Free File initiative program staff. There was no fiscal year 2004 budget submission for this initiative.

Performance

The table lists key performance metrics used for the IRS Free File initiative and their reported status.

Table 40: Performance Metrics

Metric	Target	Reported status
Percentage coverage of tax filing public	Minimum of 60 percent	60 percent minimum
Number of citizens filing electronically	2.4 million	2.79 million as of September 30, 2003

Source: President's Fiscal Year 2005 Budget submission.

International Trade Process Streamlining (ITPS)

Managing partner agency: Department of Commerce

Purpose: Make it easy for small and medium enterprises to obtain the information and documents needed to conduct business abroad.

Reported fiscal year 2004 budget: $1.47 million

Table 41: Status of Original International Trade Process Streamlining Objectives

Objectives	Assessed status
Consolidate and integrate the export process online under Export.gov, which will include foreign partner matching/verification, export financing and insurance, and consolidated market research.	●
Develop online applications for export financing, insurance, and loan guarantees offered through the Export-Import Bank and the Foreign Agriculture Service's Credit Guarantee System.	◑
Introduce "One-Stop, One Form," which will reduce the time required for small and medium enterprises to fill out export-related forms and paperwork by providing a single online form for many export transactions.	◑

Source: GAO analysis of Commerce data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

The ITPS project team has fully achieved one of its original objectives and has made progress towards achieving the other two. According to the ITPS project manager, other trade portals have been integrated into the export.gov portal, thus consolidating the online export process. The project team has deployed online tools, such as a guide for exporting, an automated North American Free Trade Agreement certificate of origin, and a streamlined application process for exporters. Additionally, the project manager stated that a tool has been put online that allows exporters to enter their information in a single form that is used to automatically populate all other applications that are linked to this form. According to the project manager, additional applications to more fully address the second and third objectives are currently in development.

Performance

The table lists key performance metrics used for the ITPS initiative and their reported status.

Table 42: Performance Metrics

Metric	Target	Reported status
Time to fill out export forms and locate information	Reduce by 10 percent annually	Not reported
Number of unique visitors to Export.gov	Increase by 15 percent	598,290 as of January 7, 2004
Number of trade leads accessed by small and medium enterprises through export.gov	Increase by 10 percent	28,716 as of January 7, 2004
Number of registered businesses on Export.gov	Not reported	1,246 as of January 7, 2004

Source: President's Fiscal Year 2005 Budget submission.

Project SAFECOM

Managing partner agency: Department of Homeland Security (DHS)

Purpose: Serve as the umbrella program within the federal government to help local, tribal, state, and federal public safety agencies improve public safety response through more effective and efficient interoperable wireless communications.

Reported fiscal year 2004 budget: $26.02 million

Table 43: Status of Original Project SAFECOM Objectives

Objectives	Assessed status
Achieve federal-to-federal interoperability throughout the nation.	○
Achieve federal-to-state/local interoperability throughout the nation.	○
Achieve state/local interoperability throughout the nation.	○

Source: GAO analysis of DHS data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; Ø = objective no longer applicable.

Project Progress

As of March 2004, Project SAFECOM has made very limited progress in addressing its overall objective of achieving communications interoperability among entities at all levels of government. Program officials now estimate that a minimum level of interoperability will not occur until 2008, and that full interoperability will not occur until 15 years later, in 2023.

SAFECOM has experienced frequent changes in management, which have hampered its progress. OMB originally designated the Department of the Treasury as the project's managing partner. However, in May 2002, the Federal Emergency Management Agency, which had an emergency-response mission more closely aligned with SAFECOM's goals, was designated managing partner. By September 2002, the Federal Emergency Management Agency had replaced its SAFECOM management team and shifted its implementation approach. Following the establishment of the

Department of Homeland Security[17] in May 2003, the project was taken out of the Federal Emergency Management Agency and assigned to the department's new Science and Technology Directorate because of a perceived need to incorporate more technical expertise. This marked the fourth major change in the project's management team within 2 years.

Project SAFECOM has pursued a number of activities since DHS took control of the project in May 2003 that are intended to lay the groundwork for future interoperability. Specifically, DHS established a governance structure for the project that includes executive and advisory committees to formalize collaboration with stakeholders. The department has also conducted several planning conferences that have provided an opportunity for stakeholders to modify program goals and the tasks planned to address them. Further, grant guidance has been developed within the SAFECOM project for use with awards to public safety agencies that encourage planning for interoperability. Also, project officials are working with the Commerce Department to catalog all existing federal agencies that use public safety communications systems and networks.

Performance

The table lists key performance metrics used for the Project SAFECOM initiative and their reported status.

Table 44: Performance Metrics

Metric	Target	Reported status
Number of agencies that can communicate with one another	Not reported	Not reported
Response times for jurisdictions and disciplines to respond to an event	Not reported	Not reported
Number of wireless grant programs that include SAFECOM-approved equipment	Not reported	2
Voice, data, and video Convergence	Not reported	Not reported

Source: President's Fiscal Year 2005 Budget submission.

[17] The Federal Emergency Management Agency became part of the Department of Homeland Security in March 2003.

Recreation One-Stop

Managing partner agency: Department of the Interior

Purpose: Provide a single-point-of-access, user-friendly, Web-based resource to citizens, offering information and access to government recreational sites.

Reported fiscal year 2004 budget: $0.6 million

Table 45: Status of Original Recreation One-Stop Objectives

Objectives	Assessed status
Allow citizens to be able to obtain information about parks, museums, historical landmarks, and other recreation sites, including hours of operation, fees, public accommodations, and services.	●
Allow citizens to be able to make reservations, order passes, conduct other service transactions online.	◑
Provide access to government-collected data relevant to recreation activities.	◑
Link to related information and services provided by nongovernmental partners.	○

Source: GAO analysis of Interior data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

Of the four original objectives, the initiative has completed one, partially completed two others, and made no progress on the last. The original Recreation.gov Web site, which was launched in April 1998, provided limited information on recreation sites and activities. The current site, developed by the Recreation One-Stop initiative, offers services that allow citizens not only to obtain information on recreation sites and activities—addressing the initiative's first objective—but also to make reservations, partially addressing the second objective. The site does not yet allow for ordering passes or for conducting other online transactions. By providing online information and reservations, the Web site provides access to some government-collected data relevant to recreation activities, but not all state government recreation information is yet included.

Currently, the initiative is seeking to develop agreed-upon standards for data submission and display for a planned online clearinghouse. The site does not yet contain any links to information or services provided by nongovernmental partners.

Performance

The table lists key performance metrics used for the Recreation One-Stop initiative and their reported status.

Table 46: Performance Metrics

Metric	Target	Reported status
Number of partners sharing data using common (Recreation Markup Language) data standard	Increase by 15%	Not reported
Number of facilities listed in Recreation.gov	Increase by 25%	3,800 as of 1/7/04
Number of federal Web sites with consistent recreation data	Increase by 25%	Not reported
Number of online reservations	Not reported	Not reported

Source: President's Fiscal Year 2005 Budget submission.

Recruitment One-Stop (ROS)

Managing partner agency: Office of Personnel Management (OPM)

Purpose: Outsource delivery of USAJOBS Federal Employment Information System to deliver state-of-the-art online recruitment services to job seekers including intuitive job searching, online resume submission, applicant data mining, and online feedback on status and eligibility.

Reported fiscal year 2004 budget: $6.7 million

Table 47: Status of Original ROS Objectives

Objectives	Assessed status
Increase customer satisfaction with the federal application process through Recruitment One-Stop.	◑
Decrease the amount of time it takes to source candidates.	◑
Source 75 percent of federal job candidates through Recruitment One-Stop by the end of fiscal year 2003.	○
Desired quality level of new hires is achieved.	○
Identify and work to eliminate unnecessary legal and regulatory constraints to effective recruitment.	○

Source: GAO analysis of OPM data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

The ROS team has worked primarily to enhance the USAJobs Web site, which is intended to serve as the foundation for achieving most of the initiative's objectives. Regarding the first objective, ROS has used the American Customer Satisfaction Index (ACSI) as a measure. The ACSI rates customer service with a score of 0 to 100, and the customer satisfaction rating for the USAJobs Web site has increased from a score of 68 to a score of 73. OPM officials stated that although they have increased customer satisfaction, their intention is to significantly surpass the government average score of 71. The projects' second objective has been partially realized; a resume-mining tool to source candidates has been implemented, but

it has not been widely used to date. The third objective has not been achieved; currently only approximately 21 percent of federal job candidates have been sourced through ROS. Further, ROS has not developed or implemented a measure for whether the "desired quality level" of new hires has been achieved. ROS has made no significant progress toward the fifth objective; ROS has not identified nor has it worked to eliminate unnecessary legal and regulatory constraints.

Performance

The table lists key performance metrics used for the Recruitment One-Stop initiative and their reported status.

Table 48: Performance Metrics

Metric	Target	Reported status
Cost per hire	Not reported	$2,790 as of August 30, 2003
Time to fill vacancies	Not reported	102 as of August 30, 2003
Percent of federal job applicants using Recruitment One-Stop	80 percent	Not reported
Number of visitors to site (daily)	Not reported	183,911 as of December 31, 2003
Number of applications (resumes) on file annually	Not reported	273,820 as of December 31, 2003
Availability of applicant status	Real time	Not reported

Source: President's Fiscal Year 2005 Budget submission.

USA Services

Managing partner agency: General Services Administration (GSA)

Purpose: Develop and deploy governmentwide citizen customer service using industry best practices that will provide citizens with timely, consistent responses about government information and services.

Reported fiscal year 2004 budget: $9.35 million

Table 49: Status of Original USA Services Objectives

Objectives	Assessed status
Implement a pilot routing and reporting solution for e-mail messages from FirstGov to a selected group of 10 agencies	●
Deploy an integrated Web and call center point of service including e-mail management systems managed by GSA's Office of Citizen Services	●
Assess citizen needs against existing federal government customer relationship management (CRM) environments and systems. Define citizen-focused response processes that are optimized for timeliness and quality of response, while incorporating privacy and security.	◑
Develop and implement a prototype for a seamless, multiagency citizen response accountability solution. This will be an integrated case management and CRM system. Then implement the solution as an integrated cross-organization solution.	○

Source: GAO analysis of GSA data.

Legend: ● = objective fully or substantially achieved; ◑ = objective partially achieved; ○ = no significant progress made toward this objective; ∅ = objective no longer applicable.

Project Progress

USA Services developed and implemented a pilot reporting and routing solution for e-mail messages in December 2002, and in April 2003, the project established a more robust e-mail capability through its Federal Citizen Information Center (FCIC) National Contact Center. Currently, a citizen can submit questions for the federal government via the FirstGov portal or by calling the National Contact Center. Inquiries submitted via FirstGov are routed to an FCIC "information agent" where the inquiry is resolved or forwarded to the appropriate agency contact. Currently USA Services resolves agency-specific requests for four agencies that have contracted for

such services and has newly signed agreements with two additional agencies. USA Services assesses citizen needs through various means, including the American Customer Satisfaction Index (ACSI) and by obtaining direct citizen feedback. However, the CRM component of the initiative's objectives has not yet been realized. According to project officials, the project's original vision of an integrated case management system has not been achieved and is currently on hold because of concerns about feasibility, cost, and protection of customer privacy.

Performance

The table lists key performance metrics used for the USA Services initiative and their reported status.

Table 50: Measures of USA Services Performance

Measure	Target	Reported status as of Sept. 30, 2003
Average time to respond to inquiries through Firstgov.gov and FCIC	100% of inquiries responded to within 24 hours	12 hours
Average time to resolve inquiries through Firstgov.gov and FCIC	Not reported	2 business days
Number of governmentwide inquiries that call center and e-mail systems can handle	3.3 million calls per year; 150,000 e-mails per year	1,756,700 calls; 60,198 e-mails
Achieve cost savings from outsourcing Tier 1 citizen contact center requirements to USA Services	10 agencies by Sept. 30, 2004	3 agencies; 13 agencies have established working agreements

Source: President's Fiscal Year 2005 Budget submission.

(310703)

Mr. PUTNAM. Thank you very much.

Our next witness is Mr. Martin Wagner. Mr. Wagner is the Associate Administrator for Government-wide Policy at GSA. He develops and evaluates policies for the Federal Government's management and disposal of products and services, internal management processes such as travel, the use of information technology, and electronic commerce. He has served in this capacity since 1995. He co-chaired the Federal Government's first interagency electronic commerce effort, and has been a senior manager in information technology and telecommunications at the GSA, directed telecommunications at the Treasury Department, evaluated telecommunications issues at OMB, and evaluated the economic impact of regulations at EPA. That was quite a job. [Laughter.]

Mr. WAGNER. Yes.

Mr. PUTNAM. I take it you did not finish before you moved on to other things. He has been a consultant on economic and technological issues for the space program, and has undergraduate and graduate degrees in economics and engineering from Princeton. Welcome to the subcommittee. You are recognized for 5 minutes. We look forward to your testimony.

Mr. WAGNER. Thank you, Mr. Chairman. My written remarks cover the general scope of the GSA efforts. So rather than summarize those in detail, I wanted to pull out one case example for you, e-Travel, to illustrate the types of things we have been working through.

If I look at travel in the status quo when we first got involved with it, it was pretty much done by agencies' local option, at office or bureau, occasionally the department level, business rules done locally, few economies of scale, some innovators, for example in Transportation and the Defense Department, but basically travel, even though it is about $8 billion a year, was viewed as an adjunct function and not looked at as a common business process across the whole Federal Government.

When we got engaged in e-Travel, not only did we look across the government, we looked to the best practices in the private sector and put together a strategy that tends to emulate the best practices they do. I would also say we did that collaboratively with agencies. Rather than simply going out and getting the right answer, you have to work with the practitioners. To net it out, effective travel management in businesses tends to embrace standardized, centralized service delivery, standard business rules that are followed and you do manage exceptions from them, there is online booking processing and fulfillment, there are clear demarcations between travel and other financial systems, it is managed by a small cadre of professionals, many of them under contract, and then there is active analysis of what businesses actually spend their money on. We then built that into the e-Travel strategy, awarded three contracts which are now in the process of rolling out.

Now we have to actually make it work. It is quite clear that governance is going to be critical. For example, agencies may want to specialize for reasons that do not make economic sense. We are trying to build out a standardized system. The companies certainly have an interest in doing special, adding unneeded features on oc-

casion. And how do we manage that while at the same time recognizing that in some cases agencies do have unique problems. That is what we are working through. I think we have made good progress to date. I certainly would be happy to talk to any of the other GSA initiatives. But that gives you a sense of what we are working on. Thank you, Mr. Chairman.

[The prepared statement of Mr. Wagner follows:]

Statement of G. Martin Wagner
Associate Administrator
Office of Governmentwide Policy
U.S. General Services Administration

Good Afternoon Mr. Chairman, Ranking Member Clay, and Members of the Committee. I am Marty Wagner, Associate Administrator for the General Services Administration's Office of Governmentwide Policy. Thank you for the opportunity to discuss with the Committee GSA's commitment to Electronic Government (E-Gov) and the progress to date of our efforts. My remarks will provide an update on GSA's role in the government wide efforts and successes and challenges of the Presidential E-Government Initiatives from GSA's view.

GSA has been an active supporter of the development and implementation of the administration's direction of E-Gov and the other priorities in the President's Management Agenda (PMA) since the PMA was issued in August 2001. GSA supports OMB efforts in E-Gov, not only by participating with other agencies, but also with sponsoring five E-Gov initiatives, and by providing support to the interagency councils (Chief Financial Officers Council, Federal Acquisition Council and Chief Information Officers Council) that help provide the transformation to E-Gov services. We also help advance the development of the Federal Enterprise Architecture by supporting OMB with program support and systems that help unify the government structures. Additionally we help OMB with the collection of interagency funds and the management of the E-Gov Fund.

GSA is the managing partner for five E-Gov initiatives (USA Services, Federal Asset Sales, E-Travel, Integrated Acquisition Environment, and E-Authentication) in collaboration with our many partner agencies; helping to develop the plans for four of the five expanded E-Gov lines of business (Financial Management, Human Resources, Grants Management, and Case Management; the fifth, Public Health Monitoring is led by Health and Human Services) and leading SmartBuy, the new government wide enterprise software license program.

GSA is taking a major role to secure greater services for the public at lower costs through E-Gov. We are helping meet the high demand for E-Gov services, such as assisting the administration in meeting its goal of developing a citizen-centered E-Gov that will result in a major improvement in the federal government's value to the citizen. Implementing E-Gov will continue to require extensive coordination with Federal agencies, State and local governments, the general public, industry, libraries and other public interest groups.

GSA's role in policy development is as a team leader, bringing together interagency teams to collaborate in developing the government wide policies that will affect them. In this way, we formulate policies, promote best practices and innovation, conduct training and provide government wide databases – which give our customers tools and support that foster good management across the government.

PROGRESS ON E-GOV INITIATIVES

The General Services Administration is actively supporting the President's Management Agenda. We supported OMB's creation of the Quicksilver Taskforce to identify initial opportunities for using the Internet to simplify and unify key processes within the federal enterprise. GSA is the managing partner for five of the 24 Presidential E-Government Initiatives, which are discussed individually below.

E-Authentication

E-Authentication is an online identity validation service that combines technology, policy and implementation tools to allow for a more uniform application of identity management across government. E-Authentication enables E-Government by allowing the American public to access government services in a secure, trusted environment with credentials of their choosing – bringing convenience, cost savings, simplicity and trust to the authentication process.

We have made good progress working with the industry and our partner agencies in a very difficult area, moving from a centralized to a federated architecture approach that is more in line with industry and greatly enhances protection of privacy of citizen information. We are currently in the early stages of interoperability testing, working with industry to allow citizens to use the same credential with multiple government agencies, and have published of Federal Trust List of Credential Service Providers (both Public Key Infrastructure and PIN/Password).

To help agencies prepare for the migration to E-Authentication we have developed and made available an E-Authentication Risk Assessment (E-RA) tool that provides agencies the ability to assess transaction risk. This tool can be used to fulfill the requirements of the E-Authentication Guidance for Federal Agencies, issued by OMB in December. Additionally, we have developed and published Credential Assessment Framework (CAF), which maps Credential Service Providers (CSPs) to the OMB assurance levels. With regard to interoperability, we have adopted an open standards-based baseline architecture and published technical interface specifications and plan on publishing our final architecture and specifications in June.

While we have made great strides, we still face a few challenges. Currently there is a lack of implementation-ready agency e-government applications that are ready to use E-Authentication and reluctance of agency applications to use E-Authentication. However, we are confident that OMB's leadership (pending pilot results and delivery of the final architecture) will encourage a more rapid migration and utilization of the initiative on the part of agencies and CSPs.

E-Travel

E-Travel is a collaborative, inter-agency initiative, the purpose of which is to realize the efficiencies, cost-savings and increased service associated with a common, automated and integrated approach to managing the Federal Government's Civilian Agency's travel function. E-Travel provides a government-wide web-based service that applies world-class travel management practices to consolidate federal travel, minimize cost and produce superior customer satisfaction. From travel planning and authorization to reimbursement, the E-Travel Service (ETS) will leverage administrative, financial and information technology best practices to realize significant cost savings and improved employee productivity.

While synchronizing agency funding and staffing resources will remain a challenge, E-Travel has been a true success story. We are well on track to meeting the September 2006 deadline by which agencies must use ETS.

To date, we have successfully provided a common government-wide online booking engine during initial phases of project. And we have developed a government-wide inventory and business case defining cost/benefits and high-level agency migration requirements. Currently a full pilot to evaluate and test the service is underway and eTravel is on track for full operation this year.

Federal Asset Sales

Federal Asset Sales will identify, recommend, and implement improvements for asset recovery and disposition, making it easier for agencies, business, and citizens to acquire Federal assets. Initial marketplaces are targeted around personal property and real property assets.

We have taken key steps to accomplish this goal. For instance, we have completed a study of government utilization and donation practices. Additionally, we are pursuing focused sales initiatives with target agencies. On February 4, the President issued an Executive Order for Federal Real Property Asset Management. The Executive Order authorized the creation of a Federal Real Property Council, which will consist of senior real property officials from the agencies. The early efforts on real property asset management from the FAS initiative will be incorporated into the FRPC's work as they proceed with their goals.

Integrated Acquisition Environment (IAE)

The goals of the IAE are to create a simpler, common integrated business process for buyers and sellers that promotes competition, transparency and integrity; increase data sharing across all Federal Agencies to enable better business decisions in procurement, logistics, payment and performance assessment; and take a unified approach to obtaining modern tools to leverage investment costs for business related processes. Several modules are now in operation, including Business Partner Network, Federal Business Opportunities, Excluded Parties Listing System, and Contracts Directory Online.

The IAE has made steady progress and has been well supported by the federal acquisition community. To date, we have launched a Past Performance Information Retrieval System (PPIRS); issued Business Rules for Intra-governmental Transactions; merged SBA Pro-NET with Central Contractor Registration (CCR); registered all agencies for intra-governmental transactions; launched Federal Technical Data Solution (FedTeDs.gov) to post sensitive but unclassified documents; and implemented a number of additional measures to secure and support the IAE.

USA Services

The goal of USA Services is to provide citizens with timely, consistent responses about government information and services. To accomplish this goal, GSA has worked to develop and deploy a government-wide citizen service initiative that employs the latest in Internet technology and industry best practices.

M.J. Jameson, GSA's Associate Administrator for the Office of Citizen Services and Communication has taken the lead on USA Services. She will address this initiative in detail during her testimony during this hearing.

EXPANDED E-GOV INITIATIVES (also referred to as the Lines of Business)

GSA has been requested to assist agencies to identify a common solution, develop a target architecture, and develop business cases for the following four Lines of Business (Financial Management, Human Resources, Grants Management and Case Management), by September 2004. GSA will develop a Request for Information to industry vendors. The questions in the RFI will drive responses that surface major issues around significant IT and business process consolidations and/or shared service providers, including architecture concerns; and, issues related to key migration strategies. The fifth new line of business, Public Health Monitoring, is being led by HHS.

SMARTBUY

SmartBUY, while not an e-Gov initiative, supports the overall direction to "leverage the government's buying power to achieve lower software licensing costs and equal or better terms and conditions" with enterprise-wide software licensing. GSA was established as the executive agent for SmartBuy. Since we began in 2003, much has occurred and been learned, but the original principal of SmartBUY remains the same. Our first agreement is with ESRI. GSA signed an agreement with ESRI for enterprise-wide licenses for geospatial software, which should bring $57.5m in cost savings over five years.

As we move forward with SmartBUY, we have learned a number of valuable lessons. First, the government must understand its requirements (and installed base) rather than relying on software vendor information. Second, the government should identify publishers to involve with SmartBUY rather than validate unsolicited proposals. And third, we must identify key users of software and involve them in negotiations

Our future efforts with SmartBuy will reflect those lessons learned and will be driven by aggregated agency requirements.

CONCLUSION

On a broad view, the E-Gov initiatives ultimately impact the processes and procedures of all federal government agencies. The strategic challenges for the E-Gov initiatives include:

- Governance of cross-enterprise programs where agency "users" need to remain involved to ensure citizen centered service is being enhanced on a continued basis;
- Improved funding alignment that meets the requirements of the e-Gov Initiative Program and individual agency missions;
- Development of a "collaborative environment" where process improvements are adopted by all agencies needing a service or E-Business product; and
- Linking policy effectively to technology driven process improvements.

In spite of many challenges, the five General Service Administration e-Gov Initiatives have made significant progress.

GSA will continue to work with OMB and with other Federal agencies, industry and State and local governments to help ensure the success of the E-Gov initiatives and related efforts. Our support of OMB and the advancement of E-Gov includes GSA's role in providing policy support for its five e-Gov initiatives, coordination of new E-Gov initiatives including the new lines of business, and coordinating the funding mechanisms such as the Council funding and EGov fund. Collectively, we believe these efforts will help succeed in transforming the government where on-line services are the norm.

Mr. PUTNAM. Thank you, sir.

Our next witness is M.J. Jameson. Ms. Jameson was named the Associate Administrator of Communications on December 10, 2001. Her role as principal communications executive for the agency, Ms. Jameson serves as GSA's primary spokeswoman and will advise the Administrator on communications and all matters of general public interest. In a career spanning 20 years, Ms. Jameson has held senior level communications positions, including senior vice president with the public relations firm Burris and Marsteller, vice president of communications at American Forest and Paper Association, special assistant to the U.S. Ambassador to France, and Director of Public Affairs and press secretary for the Department of Energy. Welcome to the subcommittee. You are recognized.

Ms. JAMESON. Thank you, Mr. Chairman, and members of the subcommittee. Thank you for inviting me to testify at today's hearing on e-government to talk about USA Services. First, I want to express my appreciation for the widespread support that we have received for USA Services which has made it a success. This begins with the Bush administration which had the vision to design a management agenda with an e-government element that is truly bringing a fundamental cultural change as to how citizens interact with their government. OMB has been very supportive, and I want to mention that Karen Evans and Clay Johnson are making a real difference. Our Administrator Steve Perry has been involved in our effort every step of the way personally. And critical to our success as well has been support from Chairman Davis as well as you, Mr. Chairman, and this subcommittee. All of us on the front lines in e-government know how supportive you are and we appreciate it.

USA Services presents citizens with a single "front door" to government, allowing them to receive accurate, timely, and consistent answers and information. As an example of the impact USA Services is having, we are expecting 225 million citizen contacts this year. That includes e-mails to FirstGov, page views to FirstGov, or calling our 1–800-FED-INFO line. It also includes the more traditional way that some citizens prefer to receive information, and that is in hard copy from our distribution center in Pueblo, CO. In fact, Mr. Chairman, you may be interested to know that we just received an e-mail from someone from Lake Alfred, FL, who is interested in knowing who their Congressman was so they could be in touch with them. [Laughter.]

USA Services is also looking after citizens' interest by helping our fellow agencies. We do this in two ways. First, we all know that citizens do not always know who to call, what agency to e-mail or call with their questions or problems. As the government is so complex, this is a problem for us as well. When that happens, USA Services can step in. We can take care of the call or the e-mail. We can provide the information, or, if it is a complex question, we can send the citizen directly to the right agency. This service is free to the agencies in the government, and we would like all of our Federal colleagues to send their misdirected calls and e-mails to us.

Second, when agencies want an even higher level of support, USA Services can respond to citizens' inquiries with information that has been cleared by agency experts. This reimbursable service

saves agencies time and money and frees them to concentrate on their core missions.

That is all of my oral testimony. I would be happy to take any questions. Thank you.

[The prepared statement of Ms. Jameson follows:]

Statement of M.J. Jameson
Associate Administrator
Office of Citizens Services and Communications
U.S. General Services Administration

Good Afternoon, Chairman Putnam, Vice-Chairman Miller, and members of the subcommittee. I am M.J. Jameson, Associate Administrator for the General Services Administration's (GSA's) Office of Citizen Services and Communications. Thank you for inviting me to testify at today's hearing on: "Electronic Government: A Progress Report on the Successes and Challenges of Government-wide Information Technology Solutions."

I am here to discuss USA Services, the E-Government initiative assigned to GSA's Office of Citizen Services and Communications. I would like to say at the outset that we appreciate the strong support this subcommittee and full Committee Chairman Tom Davis have shown for USA Services. It is also important to acknowledge the encouragement and guidance we have received from the Office of Management and Budget and our own Administrator of General Services, Stephen A. Perry.

Background

President Bush articulated his plan to harness Internet technology on behalf of citizens in his February 2002 budget request to Congress. The idea of using Internet technology to make government more citizen centric has been fully embraced by Administrator Perry. This concept is part of the President's Management Agenda, an aggressive government reform strategy designed by the Administration. In his Management Agenda, the President promised to use the Internet "to empower citizens, allowing them to request customized information from Washington when they need it, not just when Washington wants

to give it to them. True reform involves not just giving people information, but giving citizens the freedom to act upon it."

The broad objective was – and remains – championing citizen-centered government that will result in major improvements in the Federal Government's value to the citizen. USA Services is helping to make this a reality by supporting many objectives of the President's program to strengthen E-Government.

The Mission

The mission of USA Services is to present citizens with a single "front door" to government, allowing them to receive accurate, timely, and consistent answers and information. USA Services also helps other E-Gov initiatives and Federal agencies better respond to citizen inquiries.

USA Services is managed by the GSA Office of Citizen Services and Communications, established in June 2002 to streamline and modernize access to government information and services. USA Services was built from the following operational units that now reside within OCSC: FirstGov.gov, the National Contact Center (better known as 1-800-FED-INFO), and the Pueblo, Colorado, publication distribution facility. This structure allows citizens to access government more efficiently, effectively, and more easily than ever before. It also permits entry through the citizen's channel of choice: the Internet, telephone, e-mail, or publications. With USA Services, we are answering the President's challenge to help citizens find information and obtain services organized *according to their needs, and not according to the divisions created by the government's organizational chart.*

Citizens in search of information can log on to FirstGov.gov, where they are linked to and able to search more than 24 million Federal and state government pages that offer easy-to-understand information and services 24 hours a day, seven days a week. This year, we expect to top 190 million page views.

With FirstGov.gov, we also have the capacity to help those who need assistance with difficult questions. For example, citizens can send us an E-mail by clicking on an Uncle Sam icon, and we respond within two business days. This year we project that we will respond to more than 150,000 emails, which is more than twice the amount received last year.

We also serve citizens through more traditional means, such as **1-800-FED-INFO**, the National Contact Center, where we answer telephone questions from citizens on behalf of all Federal agencies. During FY03, citizens called 1-800-FED-INFO nearly two million times. This fiscal year, we anticipate more than 2.5 million calls. We answer questions such as, "How do I get a passport?" And, "Where can I apply for Federal grants and benefits?" And, "How do I apply for a Federal job?"

The third communications channel is the **Publications Center. "**Pueblo, Colorado 81009" is one of the best known addresses in the country. Pueblo is a one-stop shopping center for Federal consumer publications. Whether citizens order publications by mail, phone, or on-line, their orders are filled at the Pueblo distribution facility. Since the beginning of the print program in the early 1970s, we have distributed over 336 million publications to citizens. Three of the most popular publications are: Making a Will; Losing Weight; and the Consumer Action Handbook.

USA Services – Assisting Federal Agencies

Mr. Chairman, the USA Services initiative also supports the President's directive to ignite a culture change in government – one that shifts the focus away from agency needs and more toward citizen needs.

As the lead in this effort, GSA is looking after citizen interests by helping our fellow agencies in two ways: First, when an agency gets a phone call or E-mail that should go to another agency, we take care of the misdirected communication.

Citizens often don't know which agency to call or E-mail with their questions or problems. When they reach the wrong agency, we can either give them the information, or – if the question is more complex – direct them to the right office.

USA Services currently has 14 agencies signed up to send us these misdirected calls and E-mails. Our goal is 20 partners by the end of FY 2004. Ultimately, we would like to have the entire government on board. This is a free service for the agencies, as it is a part of OCSC's core mission to help Federal agencies better serve the public.

In some cases, agencies come to us for an even higher level of support. USA Services personnel can respond to citizens' frequently asked questions with information that's been cleared through agency experts. We call this our Tier 1 service. This not only helps the citizen, it helps the agencies as well by saving time and money, and by allowing agency personnel to concentrate on *their* core

missions. This is a reimbursable service that we provide to six agencies. Our goal is 10 Tier One partners by the end of FY 2004 and 15 by the end of FY 2005.

FirstGov.Gov – The Flagship

Mr. Chairman, I'd like to say a bit more about FirstGov.gov, the cornerstone of USA Services. In the simplest terms, FirstGov has taught us that it makes a lot more sense to go online than to waste time standing in line when working with government. It swaps red tape for a red carpet.

FirstGov helps citizens navigate through the bureaucracy without having to know organizational structure, program names or the acronyms of government agencies. It provides citizens, businesses, Federal employees, government organizations and the media with an easy, one-stop place to find government services and information.

In the past, citizen interaction with Federal agencies and state and local governments could be hit-or-miss. A mail or phone inquiry might mean the letter writer or the phone caller would be passed from office to office. There was no guarantee that the citizen's question would be answered, a frustrating and time-consuming exercise for all. With FirstGov that is no longer the case.

Mr. Chairman, reaction to FirstGov shows citizens appreciate being able to access government on their terms. A partial list of accomplishments includes the following:

- Innovations in American Government Award, the "Oscar" of government, given by the Ford Foundation and the John F. Kennedy School of Government at Harvard University in

partnership with the Council for Excellence in Government -- May 2003.

- Featured as a model for collaboration in "New Models of Collaboration: A Guide for Managers," a study conducted by the Center for Technology in Government, State University of New York at Albany -- February 2004.

- Selected among EContent 100 by E-Content Magazine – December 2003.

- Rated #1 in Web-Quality & E-Government Readiness in the United Nations "World Public Sector Report 2003 - E-Government at the Crossroads" -- November 2003.

- Rated #1 in Overall Federal e-Government by the Taubman Center for Public Policy at Brown University -- September 2003.

- PC Magazines Top 100 Classic Sites – March 2003.

Conclusion

Mr. Chairman, President George W. Bush has challenged us with an aggressive reform agenda and we at GSA are working to implement programs that will keep us moving forward. USA Services and FirstGov.gov are critical to our efforts.

The Office of Management and Budget has been instrumental in the progress we've achieved so far. This year OMB also directed agencies in the FY05 Passback language and guidance to sign USA Services Working Agreements for our misdirect program and to evaluate our Tier 1 services for citizen inquiries.

I know that I speak for Administrator Perry as well as myself when I say the bottom line is two-fold: the demand for citizen services is headed up, and we in government are actively and aggressively taking advantage of the technology at our disposal. A dramatic change is underway, one that scientists, sociologists and historians may not fully appreciate for decades to come.

I am proud to be part of that change, and again, thank you for the opportunity to testify today.

Mr. PUTNAM. Thank you, Ms. Jameson. I would note for the record that I have joined Chairman Davis in signing a "Dear Colleague" letter asking Members of Congress to promote USA Services and FirstGov.gov to their constituents, and, hopefully, including those constituents in Lake Alfred.

Ms. JAMESON. Thank you very much.

Mr. PUTNAM. Where are you from?

Ms. JAMESON. I am from South Carolina.

Mr. PUTNAM. Well I am glad that you could bring that sweet southern drawl to the stuffy salons in your work as assistant to the Ambassador to France. I am sure it did them a lot of good.

Ms. JAMESON. Thank you, sir.

Mr. PUTNAM. Our next witness is Norman Enger. Mr. Enger has extensive experience in the information systems industry and managed organizations responsible for delivering quality information technology services and solutions to commercial and government clients. Most recently, he was the vice president of Computer Associates International, the world's fourth largest software firm, where he was responsible for developing business strategies and managing the delivery of professional services and products to major commercial and Federal e-business clients. You are recognized for 5 minutes. Welcome to the subcommittee.

Mr. ENGER. Thank you, Mr. Chairman. I would like to request that my full testimony be entered into the record. I will summarize my remarks here.

My name is Norm Enger. I serve OPM Director Kay Coles James as a direct report as OPM e-Government Program Director. It has been a privilege and a pleasure to work with OPM Director Kay Cole James. Her leadership has let the Office of Personnel Management become a leader in e-government. OPM is the second agency to achieve a green status in e-government.

The five OPM e-government initiatives are using information technology to provide enterprise human capital solutions and transform government human resource systems. OPM is managing partner to 5 of the original 25 Presidential e-government Initiatives.

E-Gov, in total, provides a framework and methodologies to consolidate redundant processes and resources into a modern, trusted Federal human capital enterprise architecture. Our goal at OPM is to work with OMB and agencies to deliver an e-government that supports the modernization of human resource systems and the improvement of human capital activities across the Federal Government. We have an integrated vision of our five initiatives that frames the civilian employee lifecycle from recruitment to retirement. Our initiatives enable the Federal Government to better lead, manage, and drive enterprise-wide solutions for human resource management. They support the recruitment, selection, and effective management of human capital resources across government.

I would like to provide more detail on the two OPM initiatives of interest to this subcommittee: Recruitment One-Stop and e-Payroll.

The goal of the Recruitment One-Stop initiative is to improve the process of locating and applying for Federal jobs. We are delivering to both job seekers and Federal agency recruiters a wealth of excit-

ing new features and capabilities. Based upon current use, USAJOBS will log more than 75 million visits by Americans this year, over one-half million resumes will be created, and more than 350,000 vacancies will be advertised.

OPM implemented in August 2003 a completely new, state-of-the-art USAJOBS technology. With the new system, job seekers immediately received a number of benefits, including an improved user interface built on industry best practices for ease of use and navigation, a powerful and flexible job search engine capable of matching skills and interests against the full text of job announcements, and enhanced tools for building and managing resumes. For human resources specialists we implemented improved tools to managing job postings, candidate communications, and candidate sourcing.

Recently, USAJOBS rolled out a new display for job announcements that represents a transformation in the way that vacancy information is presented. The newly formatted announcement delivers vacancy information in an attractive and easy to read one-page format that gives job seekers all the information they need about a vacancy. As this change takes hold, we expect our customer satisfaction numbers to further increase.

Formal testing of job seekers showed us that the way we displayed our job opportunities needed substantial improvement. By early summer, we will implement additional enhancements that will streamline the application process and give job seekers real-time access to information regarding the status of job applications they have filed.

OPM Director Kay Coles James is committed to improving the Federal hiring process. The Recruitment one-Stop Initiative and the new USAJOBS Web site are key components in making this goal a reality. This initiative is reducing the complexity in Federal hiring and making it easier to hire qualified applicants. It will decrease the cost and time associated with filling jobs.

The e-Payroll initiative advances the government by creating greater efficiencies in Federal payroll processing. We are reducing 26 Federal payroll systems to 2 partnerships that will provide payroll processing services. The current 26 systems that pay 1.8 million civilian employees represent a variety of paper and electronic systems. Records are not easily shared among agencies as Federal employees change jobs in the Federal system, and records are manually retired upon employees' retirement or resignation. We want e-Payroll to be a simple, easy to use, cost effective, standardized, integrated human resource and payroll service to support the mission and employees of the Federal Government.

These dynamic innovations we are accomplishing through OPM e-government are solid evidence that e-government is transforming the way our government operates today. Thank you.

[The prepared statement of Mr. Enger follows:]

STATEMENT OF NORMAN ENGER
DIRECTOR FOR E-GOV INITIATIVES
OFFICE OF PERSONNEL MANAGEMENT

before the

SUBCOMMITTEE ON TECHNOLOGY, INFORMATION POLICY,
INTERGOVERNMENTAL RELATIONS AND THE CENSUS
COMMITTEE ON GOVERNMENT REFORM
U.S. HOUSE OF REPRESENTATIVES

on

ELECTRONIC GOVERNMENT: A PROGRESS REPORT ON THE SUCCESSES AND CHALLENGES OF GOVERNMENT-WIDE INFORMATION TECHNOLOGY SOLUTIONS

MARCH 24, 2004

THANK YOU MR. CHAIRMAN. I WOULD LIKE TO REQUEST THAT MY FULL TESTIMONY BE ENTERED INTO THE RECORD.

MY NAME IS NORMAN ENGER AND I SERVE OFFICE OF PERSONNEL MANAGEMENT (OPM) DIRECTOR KAY COLES JAMES AS A DIRECT REPORT AS OPM E-GOVERNMENT PROGRAM DIRECTOR FOR THE FIVE OPM E-GOVERNMENT INITIATIVES.

IT HAS BEEN A PRIVILEGE AND A PLEASURE TO WORK WITH OPM DIRECTOR KAY COLES JAMES. HER LEADERSHIP HAS LET THE OFFICE OF PERSONNEL MANAGEMENT BECOME A LEADER IN E-GOVERNMENT. OPM IS THE SECOND AGENCY TO ACHIEVE A GREEN STATUS IN E-GOVERNMENT AS PART OF THE PRESIDENT'S MANAGEMENT AGENDA QUARTERLY SCORECARD. THE FIVE OPM

E-GOVERNMENT INITIATIVES ARE USING INFORMATION TECHNOLOGY (IT) TO PROVIDE ENTERPRISE HUMAN CAPITAL SOLUTIONS AND TRANSFORM GOVERNMENT HUMAN RESOURCE SYSTEMS. OPM IS MANAGING PARTNER TO FIVE OF THE ORIGINAL TWENTY-FOUR PRESIDENTIAL E-GOVERNMENT INITIATIVES, UNDER THE INTERNAL EFFICIENCY AND EFFECTIVENESS E-GOVERNMENT PORTFOLIO.

E-GOV, IN TOTAL, PROVIDES THE FRAMEWORK AND METHODOLOGIES TO CONSOLIDATE REDUNDANT PROCESSES AND RESOURCES INTO A MODERN, TRUSTED FEDERAL HUMAN CAPITAL ENTERPRISE ARCHITECTURE. OUR GOAL AT OPM IS TO WORK WITH OMB AND AGENCIES TO DELIVER AN E-GOVERNMENT THAT SUPPORTS THE MODERNIZATION OF HUMAN RESOURCE SYSTEMS AND THE IMPROVEMENT OF HUMAN CAPITAL ACTIVITIES ACROSS THE FEDERAL GOVERNMENT. WE HAVE AN INTEGRATED VISION OF OUR FIVE INITIATIVES THAT FRAMES THE CIVILIAN EMPLOYEE LIFECYCLE FROM RECRUITMENT TO RETIREMENT. OUR INITIATIVES ENABLE THE FEDERAL GOVERNMENT TO BETTER LEAD, MANAGE AND DRIVE ENTERPRISE WIDE SOLUTIONS FOR HUMAN RESOURCE MANAGEMENT. THEY SUPPORT THE RECRUITMENT, SELECTION AND EFFECTIVE MANAGEMENT OF HUMAN CAPITAL RESOURCES ACROSS GOVERNMENT. I WOULD LIKE TO PROVIDE MORE DETAIL ON THE TWO OPM INITIATIVES THAT ARE BEING EXAMINED IN MORE DETAIL BY THIS SUBCOMMITTEE: RECRUITMENT ONE-STOP AND E-PAYROLL.

THE GOAL OF THE **RECRUITMENT ONE-STOP INITIATIVE** IS TO IMPROVE THE PROCESS OF LOCATING AND APPLYING FOR FEDERAL JOBS. WE ARE DELIVERING TO BOTH JOB SEEKERS AND FEDERAL AGENCY RECRUITERS A WEALTH OF EXCITING NEW FEATURES AND CAPABILITIES. BASED UPON CURRENT USE, USAJOBS WILL LOG MORE THAN 75 MILLION VISITS BY AMERICANS THIS YEAR; OVER ONE-HALF MILLION RESUMES WILL BE CREATED; AND MORE THAN 350,000 VACANCIES ADVERTISED. OPM IMPLEMENTED COMPLETELY NEW, STATE-OF-THE-ART USAJOBS TECHNOLOGY IN AUGUST OF 2003.

WITH THE NEW SYSTEM, JOB SEEKERS IMMEDIATELY RECEIVED A NUMBER OF BENEFITS INCLUDING AN IMPROVED USER INTERFACE BUILT ON INDUSTRY BEST PRACTICES FOR EASE OF USE AND NAVIGATION; A POWERFUL AND FLEXIBLE JOB SEARCH ENGINE CAPABLE OF MATCHING SKILLS AND INTERESTS AGAINST THE FULL TEXT OF JOB ANNOUNCEMENTS; AND ENHANCED TOOLS FOR BUILDING AND MANAGING RESUMES. FOR HUMAN RESOURCES SPECIALISTS WE IMPLEMENTED IMPROVED TOOLS TO MANAGE JOB POSTINGS, CANDIDATE COMMUNICATIONS, AND CANDIDATE SOURCING.

WITH THESE ENHANCEMENTS THE NEW USAJOBS SYSTEM IS RECEIVING HIGH PRAISE FROM JOB SEEKERS. CUSTOMER SATISFACTION IS BEING MONITORED USING THE AMERICAN CUSTOMER SATISFACTION E-GOVERNMENT WEBSITE INDEX. SINCE LAUNCHING THE NEW TECHNOLOGY, CUSTOMER SATISFACTION

JUMPED FIVE POINTS DURING THE LAST QUARTER ACHIEVING AN AVERAGE SCORE OF 73 ON THE INDEX. THE AVERAGE AS OF TODAY IS SLIGHTLY OVER 75. THIS SCORE IS FOUR POINTS BETTER THAN THE GOVERNMENT WIDE AVERAGE AND ONE POINT BETTER THAN THE COMBINED GOVERNMENT AND INDUSTRY AVERAGE. THE USAJOBS SCORE IS CONTINUING TO TREND UPWARD BASED ON A PROGRAM OF CONTINUOUS IMPROVEMENT.

RECENTLY USAJOBS ROLLED OUT A NEW DISPLAY FOR JOB ANNOUNCEMENTS THAT REPRESENTS A TRANSFORMATION IN THE WAY THAT VACANCY INFORMATION IS PRESENTED. THE NEWLY FORMATTED ANNOUNCEMENT DELIVERS VACANCY INFORMATION IN AN ATTRACTIVE AND EASY TO READ FORMAT THAT GIVES JOB SEEKERS ALL OF THE INFORMATION THEY NEED TO HAVE IN ORDER TO MAKE A DECISION TO PURSUE AN OPPORTUNITY IN ONE SHORT PAGE. AS THIS CHANGE TAKES HOLD, WE EXPECT OUR CUSTOMER SATISFACTION NUMBERS TO CLIMB EVEN HIGHER.

FORMAL USABILITY TESTING OF JOB SEEKERS HAS SHOWN US HOW THE TRADITIONAL WAY WE HAVE DISPLAYED OUR JOB OPPORTUNITIES NEEDED SUBSTANTIAL IMPROVEMENT. BY LATE THIS SPRING OR EARLY SUMMER, WE WILL IMPLEMENT ADDITIONAL ENHANCEMENTS THAT WILL STREAMLINE THE APPLICATION PROCESS AND GIVE JOB SEEKERS REAL-TIME ACCESS TO INFORMATION REGARDING THE STATUS OF JOB APPLICATIONS THEY HAVE FILED.

OPM DIRECTOR KAY COLES JAMES IS COMMITTED TO IMPROVING THE FEDERAL HIRING PROCESS. THE RECRUITMENT ONE-STOP INITIATIVE AND THE NEW USAJOBS WEB SITE ARE KEY COMPONENTS IN MAKING THIS GOAL A REALITY. THIS INITIATIVE IS REDUCING THE COMPLEXITY IN FEDERAL HIRING AND MAKING IT EASIER TO HIRE QUALIFIED APPLICANTS. IT WILL DECREASE THE COST AND TIME ASSOCIATED WITH FILLING JOBS.

THE **E-PAYROLL INITIATIVE** ADVANCES THE E-GOVERNMENT AGENDA BY CREATING GREATER EFFICIENCIES IN FEDERAL PAYROLL PROCESSING. WE ARE REDUCING 26 FEDERAL PAYROLL SYSTEMS TO 2 PARTNERSHIPS COMPRISING FOUR PAYROLL PROVIDERS THAT PROVIDE PAYROLL PROCESSING SERVICES. THE CURRENT 26 SYSTEMS THAT PAY 1.8 MILLION CIVILIAN EMPLOYEES EMPLOY A VARIETY OF PAPER AND ELECTRONIC PROCESSING WITH A NUMBER OF INHERENT PROBLEMS. FOR EXAMPLE, RECORDS ARE NOT EASILY SHARED AMONG AGENCIES AS FEDERAL EMPLOYEES CHANGE JOBS IN THE FEDERAL SYSTEM; AND RECORDS ARE MANUALLY RETIRED UPON EMPLOYEES' RETIREMENT AND RESIGNATION.

WE WANT E-PAYROLL TO BE A SIMPLE, EASY TO USE, COST EFFECTIVE, STANDARDIZED, INTEGRATED HUMAN RESOURCE AND PAYROLL SERVICE TO SUPPORT THE MISSION AND EMPLOYEES OF THE FEDERAL GOVERNMENT.

AS THE MANAGING PARTNER, OPM ESTABLISHED AND LED A WORKING GROUP TO ANALYZE FEDERAL CIVILIAN PAYROLL SERVICE DELIVERY FROM A GOVERNMENT-WIDE PERSPECTIVE IN ORDER TO IDENTIFY OPTIONS FOR THE MODERNIZATION AND IMPROVEMENT OF PAYROLL SYSTEMS AND PROCESSES. THE WORKING GROUP, WHICH CONSISTED OF OPM, THE OFFICE OF MANAGEMENT AND BUDGET AND PAYROLL PROVIDERS, DETERMINED THAT CONSOLIDATION OF PAYROLL SERVICE DELIVERY AND STANDARDIZATION OF PAYROLL PROCESSES WERE THE FIRST STEPS IN ACHIEVING INTEGRATED HUMAN RESOURCE AND PAYROLL SERVICES.

PAYROLL CONSOLIDATION WILL PROVIDE FEDERAL EMPLOYEES MORE EFFICIENT AND EFFECTIVE SERVICE. THEY WILL HAVE BETTER INFORMATION, CONSISTENT NET PAY, ON-LINE ENROLLMENTS, AND ELECTRONIC ACCESS TO INFORMATION. SERVICE DELIVERY WILL BE IMPROVED THROUGH STANDARDIZED SYSTEMS. STANDARDIZATION OF HUMAN RESOURCE AND PAYROLL RULES HAS OCCURRED AND DEVELOPMENT OF A HIGH LEVEL ENTERPRISE ARCHITECTURE IS UNDERWAY. WE HAVE SUCCESSFULLY COMPLETED MIGRATIONS OF THE DEPARTMENT OF ENERGY, AMERICAN BATTLEFIELD MONUMENTS COMMISSION, SURFACE TRANSPORTATION BOARD, AND THE NUCLEAR REGULATORY COMMISSION TO PAYROLL PROVIDERS.

THROUGH AN INDEPENDENT BENCHMARKING SURVEY, E-PAYROLL HAS REFINED THE COST MODEL FOR THE INITIATIVE. THE SURVEY ALLOWED E-

PAYROLL TO QUANTIFY COSTS ACROSS FOUR CATEGORIES (1) PLANNING, (2) OPERATIONS, (3) MIGRATIONS, AND (4) SYSTEMS REPLACEMENT AND THEN MEASURE THESE WITH PRIVATE AND PUBLIC SECTOR DATA CONTAINED WITHIN THE EXISTING DATABASE. USING THE SURVEY PROVIDED FOR EXPLICIT DEFINITIONS OF CATEGORIES AND CONSISTENT APPLICATION THROUGH AN INDEPENDENT SOURCE. THE NEW MODEL REFLECTS LIFE-CYCLE SAVINGS TO THE GOVERNMENT OF $1.1B.

DEVELOPMENT OF THE PAYROLL ADVISORY COUNCIL (PAC) ESTABLISHED A NEW FORUM IN WHICH OPM HAS ACHIEVED SIGNIFICANT OUTREACH THROUGH VARIOUS ESTABLISHED FEDERAL COUNCILS. THE PAC PARTICIPATES IN REVIEW OF POLICIES AFFECTING PAYROLL AND ALLOWS FOR A MORE EFFICIENT APPROACH TO INTEGRATING PERSONNEL AND PAYROLL POLICIES. SINCE THE PAC INCLUDES REPRESENTATIVES FROM THE E-PAYROLL PROVIDERS, DECISIONS FOR THE INITIATIVE ARE MORE READILY ATTAINED. ALL AGENCY STAKEHOLDERS IN E-PAYROLL PARTICIPATE IN BI-WEEKLY CONFERENCE CALLS AND QUARTERLY ON SITE MEETINGS. OUR E-PAYROLL PROJECT MANAGER CONTINUOUSLY MEETS WITH MIGRATING AGENCIES AND ESTABLISHED COUNCILS TO PROVIDE A STATUS OF THE INITIATIVE AND DISCUSS ANY ISSUES. E-PAYROLL HAS ALSO ESTABLISHED FOCUS GROUPS WITH AUTHORITY AGENCIES THAT AFFECT PAYROLL PROCESSING SUCH AS DEPARTMENT OF TREASURY, THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, AND THE SOCIAL SECURITY ADMINISTRATION.

OVERALL, THE E-PAYROLL INITIATIVE HAS REQUIRED SUBSTANTIAL MOVEMENT AND MIGRATION IN A VERY SHORT PERIOD OF TIME. THE TEAM HAS TAKEN A CHALLENGING PROCESS AND ACHIEVED TREMENDOUS RESULTS.

MR. CHAIRMAN, E-GOV INITIATIVES ARE NOT SIMPLY PROVIDING A TECHNOLOGY TOOL TO FEDERAL GOVERNMENT STAKEHOLDERS, NOR PROVIDING A NEW APPLICATION USING EXISTING TECHNOLOGIES. OPM E-GOVERNMENT IS IMPROVING GOVERNMENT BUSINESS MANAGEMENT AND MORE EFFICIENTLY MANAGING INFORMATION TECHNOLOGY INVESTMENTS. MR CHAIRMAN, THESE FIVE INITIATIVES OF PRESIDENT BUSH'S ADMINISTRATION REPRESENT A GIANT STRIDE IN THE TECHNOLOGICAL EVOLUTION OF A GOVERNMENT THAT IS RAPIDLY ACCELERATING TOWARD IMPROVED OPERATING EFFICIENCY ON THE MUCH HERALDED INFORMATION SUPERHIGHWAY. THESE DYNAMIC INNOVATIONS WE HAVE DISCUSSED THIS MORNING ARE SOLID EVIDENCE THAT E-GOVERNMENT IS TRANSFORMING THE WAY OUR GOVERNMENT OPERATES TODAY.

THANK YOU AND I WOULD BE HAPPY TO ANSWER ANY QUESTIONS.

Mr. PUTNAM. Thank you, Mr. Enger.

Our next witness is Ms. Kim Nelson. In November 2001, Ms. Kimberly Nelson was sworn in to the position of Assistant Administrator for Environmental Information and CIO of the Environmental Protection Agency. Prior to her joining EPA, Ms. Nelson served the Commonwealth of Pennsylvania for 22 years. During her career, she worked in the Senate of Pennsylvania, the Public Utility Commission, and the Departments of Aging and Environmental Protection. For the last 14 years, Ms. Nelson held a number of positions in the Pennsylvania Department of Environmental Protection. She was the first director of the program integration and effectiveness office, the first executive to hold the position of CIO, and most recently served as executive deputy secretary, the second highest position in the department. She was primarily responsible for managing department-wide projects with the goal of improving processes and integrating programs and functions. Ms. Nelson was recognized for outstanding service on three occasions during her career with the Pennsylvania Department of Environmental Protection. You are recognized. Welcome to the subcommittee.

Ms. NELSON. Thank you, Chairman Putnam. It is a pleasure for me to be here today representing not just EPA, but, in particular, the interagency work group doing e-Rulemaking.

At EPA, we certainly recognize that these information technology advances can offer substantial opportunities to improve the way we do business. EPA participates in 14 of the 25 e-government initiatives, including all 6 that are represented here today. So it is an important part of our mission.

In serving as the Chair for the e-Rulemaking Initiative, we recognize how important the role citizens play in the e-Rulemaking process and are working hard to incorporate that as we roll out that initiative. As you know, the initiative is comprised of three different modules that will improve agency processes, enhance public participation, and yield more timely regulatory decisions.

The first module is the module that is already up and running, and it is the regulatory clearinghouse that we call Regulations.gov. It was officially launched in January 2003, and it serves as the one-stop Web site where citizens can search, they can find, they can view, and they can comment on all ongoing rulemakings published by Federal agencies today. Regulations.gov is the direct result of a collaborative effort of five different Federal agencies. In just 3 months and for less than $300,000 the Regulations.gov site was designed, tested, and launched. Since its launch last year, the Web site has received more than 2.5 million hits, with an average of 6,000 hits a day, and, perhaps more importantly, we have seen a tripling of the page downloads to about 15,000 per month.

The second module is going to buildupon the first and it will establish the first full-featured Federal Docket Management System. It is currently in development today, and the Federal docket system, once it is up and running, will serve as the central repository for published rulemaking documents and all supporting materials, enabling the public to easily search, access, and comment on all publicly available regulatory materials. The team expects to complete the requirements-gathering for this particular phase of the

project next month and begin to roll that out for testing in September.

The third module, and perhaps the most aggressive, will create information technology tools that agencies can use to help rule writers actually change the way they do business. It will impact how they develop, how they review, and how they publish Federal regulations. While agency participation in that module, Module III, is voluntary, we are seeing a lot of interest in that and recently at a meeting had 13 Federal agencies show up to begin working on the requirements for that particular module.

The success of the e-Rulemaking initiative to date is based on a number of factors. First, it is collaboration, and I would say that is first and foremost. Second, we have the involvement of the CIOs and the senior regulatory officials from participating agencies. Working through a recently created Executive Steering Committee, these individuals have been essential in helping to define the scope and the function of the Federal Docket Management System and most recently voted 15–2 to endorse a centralize architecture for the system.

We certainly have some challenges as we move forward, though. Through the collaboration, the e-Rulemaking teams made significant strides toward a more efficient, integrated, and publicly accessible approach to the regulatory process. The teams received a number of awards for its successes, including an Innovation Award from the National Association of Secretaries of State, a Federal Executive Leadership Council Award, and a Grace Hopper Government Technology Leadership Award.

Nonetheless, we face a number of hurdles as we try to ensure that the initiative continues to be successful. First, creating a Federal Government-wide docket system for so many agencies will pose a significant organizational management challenge. In addition, organizational changes are going to be necessitated by the migration to one centralized rulemaking system which will undoubtedly present a whole new set of issues, some of which we anticipate, and some that I am sure will be a surprise.

Finally, the effective communication is a key to our successful implementation of the cross-agency initiative. We know we need to do more. Over the coming months we will focus on increasing public awareness of Regulations.gov and driving new business to the site. We are also going to strengthen our communications efforts with the other Federal agencies to help preclude unanticipated problems and to work more closely with those as we try to roll out the system.

In conclusion, let me say it is a real pleasure to be here to reiterate EPA's strong commitment to the collaborative leadership that we have on e-Rulemaking and to discuss any questions that you may have today. Thank you.

[The prepared statement of Ms. Nelson follows:]

STATEMENT OF
KIMBERLY T. NELSON
ASSISTANT ADMINISTRATOR AND CHIEF INFORMATION OFFICER
FOR ENVIRONMENTAL INFORMATION
U.S. ENVIRONMENTAL PROTECTION AGENCY
BEFORE THE
COMMITTEE ON GOVERNMENT REFORM
SUBCOMMITTEE ON TECHNOLOGY, INFORMATION
POLICY, INTERGOVERNMENTAL RELATIONS AND THE CENSUS
U.S. HOUSE OF REPRESENTATIVES

MARCH 24, 2004

INTRODUCTION

Good afternoon, Chairman Putnam, and Members of the Subcommittee. I appreciate this opportunity to discuss with you "*Electronic Government: A Progress Report on the Successes and Challenges of Government-wide Information Technology Solutions.*" I will speak briefly on EPA's groundbreaking use of information technology to achieve our Agency's mission of protecting human health and the environment, and then devote most of my testimony to the E-Government initiatives raised by the Subcommittee, focusing primarily on eRulemaking, the initiative for which EPA serves as the government-wide lead.

WHAT E-GOVERNMENT MEANS TO EPA

EPA recognizes that rapid, sweeping, and profound information technology advances offer substantial opportunities to conduct business differently. Through electronic government innovations and mechanisms, EPA can work more quickly, effectively, and at a lower cost to meet the public's expectations for improved environmental and health protection. For example, in partnership with states, EPA is developing a national environmental information exchange network that will revolutionize the way information is sent to, and received by, EPA and its partners. Another example of an innovative solution to meet the public's expectations is the

Window to My Environment software. Through this software EPA has used information technology to provide a geographic portal to community-based environmental information.

For the hearing today, the Subcommittee has focused on the President's Management Agenda E-Government Initiatives. EPA participates in 14 of the 25 E-Government initiatives, including all 6 specifically covered by today's hearing. To ensure that we actively and constructively help these projects achieve their goals, I have established a function within my office that coordinates work across the Agency. This management function is one of the important lessons we have learned about ensuring the success of interagency efforts. Because EPA serves as the government-wide lead on the eRulemaking initiative, I will devote the remainder of my testimony to this initiative.

eRULEMAKING

EPA is proud to serve as the government-wide lead partner for the eRulemaking initiative, recognizing the critically important role citizens play in the rulemaking process. The eRulemaking initiative will help overcome barriers to public participation in the federal regulatory process by improving the public's ability to find, view, understand, and comment on regulatory actions.

Progress to Date

The eRulemaking initiative comprises 3 modules that will improve Agency processes, enhance public participation, and yield more timely regulatory decisions.

Module 1 is a federal regulatory clearinghouse Web site, *Regulations.gov*, that was officially launched in January 2003. It is a one-stop Web site that allows citizens to search, find, view, and comment on all ongoing rulemakings published by federal agencies. *Regulations.gov*

is the direct result of a collaborative effort by 5 federal agencies. In just 3 months and for less than $300,000 the *Regulations.gov* Web site was designed, tested and launched. Since its launch in January 2003, this Web site has received more than 2,500,000 hits, with an average of 6,000 hits per day and a tripling of page downloads to 15,000 per month.

Module 2 of the eRulemaking initiative will build upon *Regulations.gov* to establish a full-featured Federal Docket Management System. Currently in development, this federal government-wide docket system will serve as a central repository for published rulemaking documents and all supporting materials, enabling the public to easily search, access, and comment on all publicly available regulatory materials. The Federal Docket Management System workgroup expects to complete the requirements for this module by the end of April and agency testing will begin in September. It will be based upon commercial, off-the-shelf technology configured for online docket management and state of the art security.

Module 3 of the eRulemaking initiative will help develop information technology tools that agencies can adopt to help their rule writers develop, review, and publish federal regulations. Using best practices from across all agencies, this module will provide a variety of tools, such as online training for rule writing, public comment analysis software, and electronic transmission of documents. While agency participation in this module is voluntary, participants from 13 federal agencies attended a Module 3 workshop in November 2003 to launch the effort.

Success Factors

The success of the eRulemaking initiative to date is based on a number of factors. First, collaboration of all involved partners has been essential. We recognize that rulemaking is a major core business process for many federal agencies and involves a stakeholder community

comprised of regulated businesses, concerned citizens, academic researchers, and public and private interest groups. This large number of stakeholders poses a significant management challenge, but one we cannot ignore.

Second, the committed involvement of Chief Information Officers and senior rulemaking officials from participating agencies has been critical. Working through an Executive Steering Committee, these individuals have been essential in defining the scope and functionality of the Federal Docket Management System and in a recent 15-2 vote, they endorsed a centralized architecture for this system. This type of cross-agency collaboration and input in the formulation and strategy of this initiative has played a critical role in this initiative's success to date.

Continuing Challenges

Through collaboration and a strong commitment to reaping the benefits inherent in electronic government, the eRulemaking initiative has made significant strides toward a more efficient, integrated, publicly accessible approach to the regulatory process. The interagency team has received a number of awards for its success so far, including an Innovation Award from the National Association of Secretaries of State, a Federal Executive Leadership Council Award, and a Grace Hopper Government Technology Leadership Award.

Nonetheless, we face a number of hurdles to ensure that the eRulemaking initiative continues to be successful. First, creating a federal government-wide docket system for the federal agencies with rulemaking authority poses a significant organizational management challenge. In addition, organizational changes necessitated by migration to one centralized rulemaking system will undoubtedly present a whole new set of issues.

Finally, effective communication has been key to the successful implementation of a

cross-agency initiative of this nature. We need to do more. Over the coming months we will focus on increasing public awareness of *Regulations.gov* and steering new business to the site. On March 1, 2004, OMB sent a memo to the President's Management Council in an effort to improve agency awareness of Regulations.gov. OMB directed agencies to include a link to www.regulations.gov from their homepage making it easier for citizens to find, view, and submit feedback on all federal rules open for comment. In addition, OMB directed agencies to cite the URL for Regulations.gov in their Federal Register rule notices to ensure that citizens are aware of an online method in which they can submit comments. Ultimately, these actions enhance citizen access to and participation in the rulemaking process. We will also strengthen our communication efforts with other federal agencies to help preclude unanticipated problems and work closely with interest groups and other non-governmental entities to seek out their ideas and fully understand their needs.

CONCLUSION

In conclusion, I would like to reiterate EPA's strong commitment to the collaborative leadership of the eRulemaking initiative and the other E-Government projects discussed today, and more broadly, to IT solutions as a means to substantially enhance our Agency's ability to achieve its mission of ensuring that all Americans enjoy a safe and healthy environment.

Thank you, Chairman Putnam, and Members of the Subcommittee for the opportunity to appear today. I would be glad to respond to any questions that you may have.

Regulations.gov opening screen

Mr. PUTNAM. Thank you, Ms. Nelson.

Our next witness is Dr. George Strawn. As the National Science Foundation's CIO, Dr. Strawn guides the agency in the development and design of innovative information technology, working to enable NSF staff and the international community of scientists, engineers, and educators to improve business practices and pursue new methods of scientific communication, collaboration, and decisionmaking. Since joining in 1991, Dr. Strawn has served NSF in numerous roles, including director of the computer and information science and engineering division of the advanced networking infrastructure and research, where he led NSF's efforts in the Presidential Next Generation Internet Initiative. Dr. Strawn currently serves as co-chair of both the Interagency Large-Scale Networking Working Group and the International Coordinating Committee for Intercontinental Research Networks. Welcome to the subcommittee. You are recognized for 5 minutes.

Mr. STRAWN. Thank you, Chairman Putnam. I am very pleased to be here. I thank you for inviting me to speak about NSF's participation in the e-Gov projects. I am particularly pleased to have this opportunity because the e-Gov initiatives have been enabled by the emergence of the Internet, for which the Federal Government provided the definitive research and development since the mid 1960's, first by the Department of Defense, then by NSF and other agencies. NSF supported the development of an Internet infrastructure for higher education and subsequently took the lead in commercializing and privatizing the Internet so it could become, over the last 10 years, a global force to reshape many aspects of society, including the Federal Government.

Mr. PUTNAM. Dr. Strawn, did you invent the Internet? [Laughter.]

Mr. STRAWN. Success has many fathers. As well as being a major provider of IT research support, NSF has worked hard to be a leader in the use of information technology. Our "FastLane" system developed in the 1990's has enabled us to receive our research proposals over the Internet and we are now also performing many of our "back-office" proposal review and award-making activities electronically as well. I might mention that we have recently increased the number of proposals we receive by 50 percent and we have been able to handle that increase with our electronic system with no increase in personnel. Recently, we were gratified to receive the President's Quality Award for the Fastlane system, and we have been gratified to receive "the green light" in e-government from the administration and this year to receive an "A-" from this committee for our work under FISMA to secure the NSF information and IT resources.

NSF, although we participate in many of the e-gov initiatives, I would like to highlight our participation in Grants.gov since that is our core line of business.

NSF was a natural partner for the initiative, and we have been able to leverage our FastLane system to provide an experience base for the interagency Grants.gov efforts to buildupon. The vision of Grants.gov is to provide a simple, unified source to electronically find and apply for grant opportunities.

Find establishes Grants.gov as the central governmentwide location allowing anyone to go to one site to identify all government-sponsored funding opportunities. And apply provides the capability to electronically submit a grant application through Grants.gov to the sponsoring agency.

NSF currently posts all of our funding opportunities on the Grants.gov site and is working with Grants.gov to utilize the apply functions by the end of this fiscal year. In addition, we are working with the e-Authentication project and others to pilot a capability to authenticate grant applicants from a variety of trusted sources, including FastLane, thus reducing administrative burden on the grantee and the funding agencies.

Also, NSF has been a leading agency in the effort to define a set of "Research and Related data elements and associated forms." This data was delivered to Grants.gov last week and will be used across all research agencies to provide applicants with a standard set of data requirements for the application process.

As Ms. Evans mentioned, last week OMB announced five new task forces focusing on government "Lines of Business" that further support the President's management agenda. NSF has been named a co-managing partner, with the Department of Education, on the Grants Management Task Force. This new interagency effort will reduce the cost of grants management and improve services to citizens by identifying potential business functions that can be shared across agencies.

Through Grants.gov and the new interagency task force on grants management, the Federal Government is making significant progress in meeting the requirements of Public Law 106–107, and establishing an interagency process to streamline and simplify financial assistance procedures for non-Federal agencies. With the comprehensive range of Presidential E-Government initiatives, the Federal Enterprise Architecture, and other coordinated efforts, we are making good progress toward better serving our citizens while at the same time controlling costs. Our challenge is to continue to implement these important initiatives with a careful focus on Federal Enterprise integration so that we do not replace agency level stovepiped applications with governmentwide stovepiped ones.

I would be happy to answer any questions.

[The prepared statement of Mr. Strawn follows:]

Statement of
George O. Strawn
Chief Information Officer
National Science Foundation
Before the
Committee on Government Reform
Subcommittee on Technology, Information Policy,
Intergovernmental Relations and the Census
U.S. House of Representatives
March 24, 2004

Mr. Chairman and Members of the Subcommittee, thank you for inviting me to speak today about NSF's participation in the Presidential Electronic Government (e-Gov) initiatives. I am Dr. George Strawn, Chief Information Officer of the National Science Foundation, a position I have held for the last 18 months. Prior to that and since 1991, I have held various positions in NSF's Directorate for Computer and Information Science and Engineering. Prior to 1991, I was a computer science faculty member and department chair, and a computation center director at Iowa State University.

Introduction

I am particularly pleased to have this opportunity because the e-Gov initiatives have been enabled by the emergence of the Internet, for which the Federal government provided the definitive research and development since the mid 1960s: first by the Department of Defense, then by NSF and other agencies. NSF supported the development of an Internet infrastructure for higher education and subsequently took the lead in commercializing and privatizing the Internet so it could become, over the last 10 years, a global force to reshape many aspects of society, including the Federal government.

As well as being a major provider of IT research support, NSF has worked hard to be a leader in the use of information technology. Our "Fastlane" system developed in the 1990s has enabled us to receive research and education project proposals over the Internet, and we are now also performing many of our "back-office" proposal review and award-making activities electronically as well. Recently, we were gratified to receive the President's Quality Award for our Fastlane system and its innovative electronic capabilities to solicit, receive, review, select, award, manage, and report results on public research and education investments. We were also gratified to receive "the green light" for e-government from the Administration and to receive an "A-" this year from this Committee for our work under the Federal Information Security Management Act (FISMA) to secure the NSF information and IT resources.

The Presidential Initiatives

As Karen Evans has mentioned, there are 24 initiatives divided into four portfolios, and the E-Authentication initiative that supports all of the other 24. While NSF participates

in many of these initiatives, I would like to highlight our participation in the Grants.gov project since that is our core line of business.

Grants.gov

NSF is one of 11 Grants.gov partner agencies committing resources – both funding and staff -- to the success of this initiative. Since the initiative's inception, we have worked productively with the Department of Health and Human Services, the Grants.gov managing partner, and the other agencies that are represented on the Grants.gov Executive Board. These partner agencies are responsible for the annual awarding of the majority of Federal grants, both in terms of transactions and dollars, . These assistance funds, over $360 billion annually, support the activities of universities, state and local governments, and other public and private non-profit groups.

NSF was a natural partner for this initiative, and we have been able to leverage our experiences with our FastLane system to provide an experience base for the interagency Grants.gov efforts to build upon. For example, our FastLane system processed more than 99 percent of all proposals electronically in FY 2003 (over 40,000), and almost 200,000 electronic reviews, helping NSF achieve its goal of processing 70 percent of proposals within six months. We have been pleased to contribute our experiences and lessons learned to this important Government-wide initiative to enable more effective stewardship of the taxpayer's resources by grant-making agencies.

The vision for Grants.gov is to provide a simple, unified source to electronically *find* and *apply* for grants opportunities – formula, block and discretionary grants-from over 900 grant programs in 26 Federal grant-making agencies.

Find establishes Grants.Gov as the central government-wide location for posting brief information on all funding opportunities, allowing anyone to go to one central site to identify all government-sponsored funding opportunities. *Apply* provides the capability to electronically submit a grant application through Grants.gov to the sponsoring agency.

NSF currently posts all synopses of our funding opportunities on the Grants.gov site and is working with Grants.gov to use the Apply functions by the end of FY 2004. In addition, NSF is working with the e-Authentication project, Grants.gov, FirstGov, and the Department of Agriculture to pilot the capability to authenticate grant applicants from a variety of trusted sources, including FastLane, thus reducing administrative burden on the grantee and funding agencies.

NSF is a leading agency in the effort to define a set of "Research and Related data elements and associated forms", along with the National Institutes of Health, Department of Energy, and others. This Research and Related data set, delivered just last week to Grants.gov, will be used across all the research agencies to provide applicants with a standard set of data requirements for the application process. In recognition of its importance for the Grants.gov initiative, NSF has contributed significant staff time to this effort.

Grants Management Task Force

Last week OMB announced five new task forces focusing on government "lines of business" that further support the President's Management Agenda. NSF has been named a co-managing partner, with the Department of Education, on the Grants Management task force. This new interagency effort will reduce the cost of grant management and improve services to citizens by identifying potential business functions that can be shared across agencies.

Conclusion

Through Grants.gov and the new interagency task force on grants management, the Federal government is making significant progress in meeting the requirements in Public Law 106-107, and establishing an interagency process to streamline and simplify Federal financial assistance procedures for non-Federal entities. NSF is also involved in numerous other eGov initiatives in areas that affect all Federal entities. In addition to its role on Grants.gov, NSF is an early adopter of eTravel services, and actively engaged in the Enterprise Human Resources Integration (EHRI), and eLearning initiatives. In addition, NSF is retiring its legacy payroll and personnel systems and migrating to a Government-wide Payroll/Personnel system in FY 2004 as part of the ePayroll initiative. With the comprehensive range of Presidential E-government initiatives, the Federal Enterprise Architecture, and other coordinated efforts, we are making good progress towards better serving our citizens while at the same time controlling costs. Our challenge is to continue to implement these important initiatives with a careful focus on Enterprise-level integration so that the resulting products and capabilities can be optimized within both Agency-specific environments as well as at the Government-wide level.

I would be happy to answer any questions that you may have.

Mr. PUTNAM. Thank you very much. I want to thank all of you for your opening statements and I look forward to a good discussion as we get into the questions and answers.

Let me begin with a fairly simple question. How many Web sites does the Government have that are official Federal Government Web sites?

Ms. JAMESON. That is a good question. We do not know the answer to that. We are in the process of trying to determine that number as well as the number of call centers. That is something several years to come, and we are looking at starting some work on that next year in exactly getting that number. But you can be sure the number is very large. I am sorry I do not have an exact number for you.

Mr. PUTNAM. How hard would it be to figure it out? How many addresses end in ".gov?" That is a start, isn't it?

Ms. JAMESON. Yes. But everyday there are new ones that are created. So it is a moving target.

Mr. PUTNAM. Is there a policy where somebody has to get permission to launch an official Web site?

Ms. EVANS. The answer is, yes. From a technical perspective, GSA manages the ".gov" domain for the Government as a whole. So there is guidance that has been previously issued that talks about how an agency goes about and gets a .gov domain registration. If you want to know the specifics about how that works, Marty would be glad to share it. But the way that the process works and the way that it has been set up is that if someone comes in and requests a new domain under the .gov domain, that if they are a subsidiary, what I would call a subsidiary, organization from a major department, that request is sent back to the department to the chief information officer for approval before approval is granted to give that person a .gov domain.

Mr. PUTNAM. And who is eligible? State and local government, or at least State government is eligible for the .gov domain, are they not?

Mr. WAGNER. Yes. We expanded the policy about a year ago to make .gov available to State and local governments. And we would require a State government to be a bona fide representative of the State to get the domain but, in general, we would not get involved in those decisions. It is for the State to decide how many. We would give them a top level domain, like Florida.gov. I do not actually know if Florida did go that way. A lot of them have been under the ".US" domain.

In general, for the number of Web pages, though, we can give you the number of domain names, I cannot give it to you right this second, but we certainly have a list of the .gov domains. Not all of those are active and we are looking at how to bring that somewhat more under control. That does not necessarily deal with the issue of how many Web pages there are, though, because we would issue what is called a top level domain, for example, DOE.gov., and under DOE.gov there could be any number of sub-level domains

and that would be up to DOE to make that determination.

Mr. PUTNAM. I would like to know the numbers that you do have, if that is possible.

Mr. WAGNER. Certainly. We will submit that for the record.

[The information referred to follows:]

Question 1. Chairman Adam Putnam asked how many Web sites does the Government have?

The question discussion included references to the number of Dot Gov domains and that State and local governments were allowed about a year ago to use the Dot Gov domain.

Answer

We are providing information on the actual number of Domains as of March 29, 2004 and the estimated number of Web sites.

We define Domain as the Second Level Internet Domain: A group of computers or devices that shares a common directory database and is administered as a unit, e.g., gsa.gov.

Dot Gov Domains Assigned:

Federal Government	1534
Native Sovereign Nations	144
State and Local Governments	1808

Dot Mil Domains Assigned

Department of Defense Organizations	96
Total Government Domains	3,582

Approximate Number of Federal Web Sites

This is a very difficult question to answer because the number of Web sites ebbs and flows daily, even hourly, with new sites being added while others are taken offline.

We can provide a solid approximation that through the FirstGov Search index we have identified more than 24 million Web pages from over 22,000 Federal Web sites.

Mr. PUTNAM. You decide though the top level number that they get, is that correct? So if you wanted to restrict or consolidate the number of government Web sites, would that be your call?

Mr. WAGNER. As a matter of process, yes. We would have a process that said if a CIO in an agency wanted to have a domain, we would make that request go through the CIO. As a practical matter, we do not have a real policy to deal with sort of generic names, like student.gov, senior.gov. We have tended to work that out informally. We would not on our own start telling an agency they cannot have a specific domain name if the CIO wanted it. However, as this grows, we will be working through the CIO council because it is really a broader question than simply something GSA deciding on.

Mr. PUTNAM. So a site like students.gov, which is financial aid, applications for jobs in the Federal Government, it certainly could be almost limitless in scope if you throw in all the other things that a student might be interested in and might use students.gov as their first stop in doing homework or doing research or wanting to find out about whatever. So it would be voluntary to pull in, for example, 4-H from the Department of Agriculture, and somebody else from the Library of Congress to help with research, and somebody from DOE to get information on college scholarships, and someone else—I mean, that is all the work of the CIO council?

Mr. WAGNER. I think that would be the best place where we would tend to work those issues through. Students.gov was an interagency portal, seniors.gov, and there is a community, there are not that many players among the CIOs, so we have worked those things out. I think, in general, we are probably going to have to get more formal, but that is just my personal speculation.

Mr. PUTNAM. Now, Ms. Nelson was referring to the Regulations.gov, the e-Rulemaking, and said there were 2.5 million hits total, 6,000 a day on average, 15,000 downloaded documents on average per month. Those are outputs. So let's talk about outputs for a second. How many hits have the 25 e-Gov initiatives generated and what has the growth pattern been since they were launched?

Ms. EVANS. Each of the initiatives, if they have an outward facing component—it depends on how they were set up, and that is why they were put into the portfolios that they were. So if there is a public facing component, each of them track outputs, so to speak, number of hits, number of visits, those types of things. What we are doing right now is working with those initiatives to ensure that when we publish these statistics—most of them are using a tool called "Web Trends" which does do it in a standardized way—that we are making sure that we count them the same way so that it is an apples to apples comparison. Right now, based on all of them, and I know Norm could give you some specific ones especially on the OPM ones because those are very citizen oriented, obviously, that we have seen upward trends on all of them and on all of the activities. If you want specific highlights, we have them and we track them for each of the initiatives and we keep a tally of the statistics. So we would be glad to provide those to you if you would like to have those.

Mr. PUTNAM. I would, because what I am really interested in, more than the outputs, are the outcomes. In other words, what per-

centage of visitors to Yellowstone made their reservations on Recreation.gov as opposed to having to call someone? What percentage of people applying for a job in the Government who successfully went through the entire process did so with as little paper as possible? What percentage of travel vouchers within the Government are handled completely on line? What percentage of the comments on potential regulations are posted on line versus the old fashioned way? What percentage of GSA's surplus purchases are made on line by going to your Web site and saying, oh, that is a nice boat, or ring, or VCR that they took out of some drug dealer's house, I want to buy it? That is what we are really getting at is how effective is e-government for the people. And I would like to hear from any or all of you on your piece of that.

Ms. Nelson.

Ms. NELSON. We are tracking those measures as well. I will say there is a learning experience here. One of the issues, for instances, is keeping track of the number of comments that are submitted through Regulations.gov, as an example. That is an important measure to know. We believe we probably will not meet the earliest estimates for those milestones in terms of how many comments we wanted to have submitted through Regulations.gov for a number of reasons.

Mr. PUTNAM. You said you do not believe you will meet?

Ms. NELSON. I do not believe we will. A couple of reasons. One is, it does fundamentally mean changing the way people do business. And what we are seeing is many people go to Regulations.gov to do the search across the Federal Government, it is wonderful for that, many people go there to look at information across the Federal Government, but when it is time to actually submit the comments, most of the people who are submitting comments are very knowledgeable about D.C. and the way the Federal Government operates and they're likely to go either to the Department of Transportation site or the EPA site or those agencies that already have e-dockets and just file those directly there. Many comments here in Washington, as you know, are organized through associations, so large comments get compiled through association. They, too, will often go directly to an agency and submit comments either in writing or electronically through e-mail directly to an e-mail account. That does not mean just because those comments are not coming in through Regulations.gov, it does not mean they are not coming in electronically. Many are coming in via e-mail. Some are still coming in via paper.

So what I think we need to do is reevaluate what success means and not get too caught up in how many comments actually get filed through Regulations.gov. What is important is that they do come in electronically and they come in in the most efficient way possible. We do want them to come in on Web forms through Regulations.gov, hopefully, because that results in less work for the agency receiving them. The second option is coming in electronically via e-mail. Again, less work than coming in on paper but they still need to get converted in the docket system. The one we really want to eliminate are those coming in via paper because then they need to be scanned. So we have to be careful about that measure of how many comments come in through Regulations.gov because it does

not mean they did not use Regulations.gov to find the issue, to search, to do the research, and to ultimately then submit comments that might not have come through that particular door.

Mr. PUTNAM. That is a fair point. And we can solve that. But what I am curious about is whether at the end of the day you all really believe that people are utilizing the e-Gov services. I just asked staff, and it is now over 90 percent of my constituent mail is electronic. Now part of that is anthrax, part of that is Ricin, and part of that is the fact that they bake it and shake it and nuke it before it gets to us and it is 6 weeks old before we get it. But that is a pretty staggering figure for people weighing in on the issues.

Mr. Enger.

Mr. ENGER. An example I think of utilization is our USAJOBS site. Last year we went live on a Monday with the new USAJOBS site, the site was totally redesigned from the old site. On the Friday before we went live we had 20,000 people a day going to the old site. On Monday and over the weekend we had 200,000 people on the site. We increased in several days tenfold the site utilization. At this point in time, we are averaging on some days 300,000 people a day on the site. That comes out to something like 70 million people a year are coming to a site and using the site. This is approximately eight- to tenfold increased utilization over the previous old USAJOBS site. We also are getting many, many more resumes on the site. We will have annually now 700,000 resumes coming into the Federal Government from this new USAJOBS site. We have very, very detailed statistics on the site. So I think to answer your question, we can quantify metrically, we can show how the site utilization has increased dramatically by citizens looking for Federal jobs. We also plan by the end of this year to be able to show that 82 percent of all civilian applicants are using this site to find a Federal job.

Mr. PUTNAM. Dr. Strawn.

Mr. STRAWN. Mr. Putnam, I think the NSF experience with FastLane is illustrative here. That is our first generation grants.gov and it took us 2 to 4 years of urging our proposing community to make the conversion to electronic proposal submission. Now that the process is completed, we are at virtually 100 percent. And I predict that after the same conversion process Grant.gov will have equal effectiveness.

Mr. PUTNAM. How do you advertise or market Web-based services in the government? Ms. Jameson mentioned Pueblo, CO site. There used to be a commercial with a train leaving a station and everybody yelling about Pueblo, CO, and the phone number and all that kind of stuff. How do you get the word out about the Web sites?

Ms. JAMESON. In terms of FirstGov.gov, we have a public service ad campaign that we run, this will be the second year. And, of course, FCIC with Pueblo has run campaigns for years. So we do an ad campaign that is very effective.

I want to say one thing about that last question. We feel that we are pretty close to the citizen in terms of general information that they want and we are seeing that the number of people who are asking for hard copy is going down, but slowly. There is a segment of the population that still wants the booklet. But the number of

phone calls is holding pretty steady. And we are also hearing that and we have research that I can provide to you that they like having the option. The citizens like the Web for research on a lot of topics, but then when they reach a difficult thing and they need a more comprehensive answer, they want to call. And so we try to provide all those communication channels and we think they are important.

Mr. PUTNAM. Ms. Evans.

Ms. EVANS. What I would like to say is that overall, on all of these initiatives, many of the metrics that we have been measuring to date has really been dealing with the technical deployment of these solutions. And it does speak to the heart of the issue that you raise, which is outputs versus outcomes. We are now in the process of going back and looking at all of the initiatives again because it is one thing to have an initiative 100 percent technically deployed, it is another thing to have the initiative really achieving the outcomes that it was intended to be.

There are a few really good examples, such as USA Services and IRS Free File, which really have developed a marketing plan using multiple service channel deliveries for their target audience of who they want to use that initiative. So what we are now in the planning process of doing is going back and working through the Council of Excellence in Government, as required under the E-Government Act, to reach out to the citizenry and really identify what is the target audience for each one of these initiatives, ensuring that the initiatives are aligned with measurable outcomes where we have good metrics that will really show that, yes, we are bringing value to the program.

The other piece of this is that overall the initiatives will be tied again through the PART process to the programs that they are supporting. So if they are supporting a specific program, like GovBenefits, which supports multiple program areas, we need to ensure that the metrics that we are measuring their performance by, that our IT investments are complimenting the overall program areas. So we are going back now and looking at all of those because those really are very good questions. We have been very focused on the technical deployments and now we really want to be focused on achieving the results.

Mr. PUTNAM. Thank you very much. Mr. Clay, you are recognized.

Mr. CLAY. Thank you, Mr. Chairman. I will start with Ms. Evans. Ms. Evans, at our hearing on e-government in the Spring of 2003, GAO had indicated that most of the business plans for the electronic government projects lack several elements that GAO considers critical for this type of a business plan. What has your office done over the past year to improve those plans among the agencies?

Ms. EVANS. We went back and we have looked at several of the weaknesses and several of the improvements that needed to be done. One good example would be governance structures that need to be put in place to ensure that there is proper management and oversight. Several of the initiatives have gone forward. They do have a structure that is in place. Ms. Nelson can talk about specifically was put in place for e-Rulemaking to be able to address sev-

eral of the issues that have gone forward. We have ones in place and I have a list of ones that are in place for the initiatives, and we have done them on things like Grants.gov, e-Authentication, e-Rulemaking, Business Gateway, SAFECOM, Consolidated Health Informatics, the Geospatial initiative, e-Payroll, and several of the others. So we are working through each of the recommendations that GAO has made to ensure the success of the initiatives.

Mr. CLAY. Let me ask you, can you describe for us the efforts your office has made, if any, to improve library and community center access to the electronic government initiatives underway? Is this an area that perhaps deserves more attention?

Ms. EVANS. Currently, the E-Government Act requires me to do specific things dealing with government information and content management. We have work groups that have been set up, and included in the e-Government Report is a specific timeline, that we are working in partnership with the multiple communities, one of which is the librarians. So that then is to be able to move forward and make government information more available out. NARA is also involved in those activities, too.

Mr. CLAY. I will move on to Ms. Koontz. Would you mind sharing with us your thoughts on the government's responsibility toward those without access to the Internet. In other words, is the digital divide a threat to the goals of a more transparent and accessible government envisioned under the e-government agenda, or have you given that any thought?

Ms. KOONTZ. Obviously, I think we are in a transitional period from manual copies to the electronic world. And it is a transition that I do not know how long it is going to take. But probably for the foreseeable future we are going to have a certain amount of parallel systems. I mean, we see the Internet penetration going up all the time. But there is a segment of the population that is not yet served by the Internet, although through the library systems they can, in many cases, get access. And I believe that the E-Government Act provides in many ways for people to continue to have access regardless of that situation, to the paper documents.

Mr. CLAY. Thank you. As we all know, funding for e-government has been short-changed in the past two budget cycles. Most projects being currently pursued do not identify funding sources. This is for you, Ms. Koontz. Given that most agencies face shrinking budgets in 2004 and will likely for the near future, how will the lack of clearly identified funding affect the timing of implementation for e-government initiatives?

Ms. KOONTZ. One of the major challenges that we identified in our most recent work is agencies having workable funding strategies. We saw over and over again that those agencies who had—and it is connected to collaboration as well—that those who had good collaboration with their partner agencies and with stakeholders and were able to work out consensus on how funding was going to be provided to the e-government initiatives, to the extent they did that, they were more successful. I have to admit, of course, it is not a perfect process because if an agency does not have the money, they may not be able to transfer it. But this collaboration and funding strategies are very important to the ultimate success of the projects.

Mr. CLAY. Mr. Wagner, what do you envision as the hallmark of a successful e-government initiative throughout GSA? What do you believe are the key services and efficiencies GSA can offer through a successful e-government initiative?

Mr. WAGNER. I think the first test is that something is used and useful. And I think the chairman's questions on outcome measures gets to that to some degree. For GSA, we tend to be inwardly focused to the government's internal efficiency and effectiveness. So if I look at e-Travel, I am really looking at saving money, but I am also looking at enhancing the customer experience. If you only look at the cost side, you run into problems. So travellers benefit, money is saved. Authentication, to the extent that we are sharing a common system that is used across the government, then we have success. If we have a common system that everyone ignores and they use something else, then we have failed. Federal asset sales where we are selling things, the test there is net revenue. We have gone from a model which said, gee, the cheapest way I could post it, that is not what counts. It is how much money you bring in from the sale of the assets. So there really tend to be a balance of dollars and cents savings and customer satisfaction.

Mr. CLAY. Ms. Jameson, would you please describe the benefits to be expected from the contract for an enhanced National Call Center which you plan to sign next month. What steps will you take to ensure that the National Call Center has the capacity to process the volume of calls it will receive?

Ms. JAMESON. Yes, sir. There are a number of benefits. I will mention a few here and I will be happy to provide all of them that are provided for in the contract to you later. But several of them that are very important are, this will allow the ability for callers to leave messages and with a specific time they would like a call back, which has not been in our previous contract before, to make appointments by leaving a message on a machine, and including personal interviews that may be required, like for visas. It provides for the increased capability for increased languages should the need arise. This contract is done for a 5-year period so we tried to anticipate anything that may be needed in the future. Those are a few things that are in the new contract.

And then as far as the capacity, this contract is set up for an enormous capacity. It actually has five different companies that will work together. One company will go first and should the capacity expand, it will go to the next company, and on down through five different companies for capacity. So it has an enormous capacity. I think we are being very adequate for the 5-years. I doubt we would ever reach that. Even for 911 we never extended the services that we have now with the current contract.

Mr. CLAY. Will the caller get a live person?

Ms. JAMESON. They can or they can get a message. Actually, they have a choice now. I guess 20 to 25 percent of the callers do prefer to get their information by recording.

Mr. CLAY. How will they confirm an appointment? How does that process work?

Ms. JAMESON. Someone calls them back.

Mr. CLAY. They will call them back?

Ms. JAMESON. Yes, sir.

Mr. CLAY. OK. All right. Thank you for that response. Mr. Enger, OPM has previously stated that the e-Payroll initiative will yield $1.1 billion in savings. When and how will these savings be realized?

Mr. ENGER. We had studies made on this and we are projecting that the savings will be realized by the year 2011. Essentially, the savings are coming from shutting down 22 redundant payroll operations and all of the infrastructure, the equipment, the software required to maintain 22 separate payroll centers.

Mr. CLAY. Has economic efficiency been the only motivation behind the consolidation of Federal payroll systems, and have agencies been receptive to the technological changes made the process?

Mr. ENGER. Well, there are two parts to the e-Payroll initiative. One is to standardize civilian payroll processing. And the second part of that is to, in effect, consolidate civilian payroll processing. So there are really two parts to it that are equally important. What we are doing is we are moving to more common standards, a more common process whereby we have the same framework and the same structure to process pay. What we are doing is we are simplifying the payroll structure and that moves you toward efficiencies by having more commonality, more simplicity. You actually are moving into a world where you can actually look at commercial off-the-shelf software to process Federal payroll. So, in effect, we are moving toward consolidation. Longer term, we are looking for technology replacement because what we are doing short term here is we are consolidating into legacy systems, legacy software, legacy payroll systems, and the next phase is going to be to identify what modern solution, what modern software, what modern package or packages can we use to have further efficiency to process Federal payroll.

The bottom line here will be twofold. One is that we will reduce the cost to pay a Federal person. Right now, looking at the existing providers, they run from $125 to $250 a year per employee or per W–2. Our goal is to get down to $97 per employee. So one part of it is, yes, dollar savings. But the second part is to have just a more efficient Federal payroll system.

Mr. CLAY. Thank you for your response. Ms. Nelson, as you know, the rulemaking process at an agency like yours can be contentious with many diverse stakeholders and interested parties. Can you characterize for us how e-Rulemaking has made the research of and offering comments to the Federal agency rulemaking process more citizen friendly or user friendly?

Ms. NELSON. Thank you, sir, I can. As you mentioned, EPA, while it is a small agency compared to many cabinet departments, is one that does issue many, many regulations and those regulations can be quite complex. One of the things EPA's own e-docket does for us and for the citizens is it allows for the search of critical information across agencies. So you can take a complex issue like mercury, lead, something relevant today, and search and find information regardless of the program within EPA that might have open a docket regarding that particular issue, or dockets in the past on a particular topic. That was not so easy before EPA had its own e-docket system and when Module II is fully in place you will be able to do it across the Federal Government.

The second thing I think it does that will dramatically change the comments that we get is as the docket system is up and running, people will be able to see the comments that are filed by other individuals. In the old days, comments came in, they went to a file room, they were in a box, and then the rule writer got to open the big docket and all the paper and sift through it and the citizens never knew what other people submitted unless they, too, went to that docket room and sifted through all the paper. But by going on line, you can see every day what comments somebody is submitting. And it might mean, as a result of reading something somebody else has submitted, you have a different thought, you have a different perspective, you have something new you want to add, you want to bolster your argument or your position.

So it makes for a much more agile and, in the end, a much more informed set of comments that an agency will receive, which in the end I think results in better regulations and rules for everyone.

Mr. CLAY. While e-Rulemaking's first objective was completed through deployment of the Regulations.gov Web site, its second objective is partially complete and little has been done toward the third objective. When can we realistically expect to have this work completed?

Ms. NELSON. The second objective is one that we are working on now, the requirements. This requires bringing all the agencies together and understanding their needs. Because, remember, what Module II or Phase II does is create that single docket system. We have now agreement by 20 of the partners that we will develop a centralized docket system, which is the most efficient approach of all that were analyzed. Now we have to understand the particulars because what that means is 20 agencies initially will give up their own docket system. So we need to understand what we are replacing. You do not want to move to something and have less capability than you currently have now. Those requirements are being gathered now. We hope to pilot something in the Fall and we hope to start migrating about 14 agencies in January or February of next year. The goal, and it is a very, very aggressive one, it is a very aggressive one, is to get about 150 agencies totally migrated within a year from the time we start. That will be very aggressive.

Mr. CLAY. Thank you for your efforts too.

Ms. NELSON. And let me just say, Module III is a voluntary one and that one we are working on concurrently. So it is not sequential. We are not waiting to finish Module II to do Module III because there is a subset of agencies that are interested in that one. The timeline for that one will go out further and I hesitate to give you a real date on that one. Really, a project depends on three core components and that starts with your requirements. Once you understand your requirements, then it comes down to how much money you have, or how much time, do you have a deadline, and the quality of what you want to deliver. We need to understand all those requirements before we actually understand what the milestone will be for delivering that.

Mr. CLAY. My final question, Mr. Chairman, to Mr. Strawn. I appreciate your indulgence. The grants management line of business has been designated by OMB as one of five areas that will be the next focus for e-government. What activities are planned for this

effort? And what are the challenges inherent in pursuing this next stage of the e-government initiative?

Mr. STRAWN. An interagency committee has been formed which will be co-chaired by Department of Education and NSF that will investigate common "back-office" services for the processing of grants. The Grants.gov is for finding what grants exist and applying for them, but then the agencies are currently at their own ends to process those grants and make awards. We will be on a very aggressive schedule between now and September to plan for a common procedure for grant processing and award management.

Mr. CLAY. Thank you.

Mr. PUTNAM. Thank you, Mr. Clay. Let me talk about Geospatial just 1 second. Last year in our oversight hearing, we had testimony that the Government spends somewhere on the order of $4 billion a year on Geospatial products and services and estimated that as much as half of that could be eliminated. Where are we on the Geospatial initiative, and particularly in getting a piece of that $2 billion back? For Ms. Evans or Ms. Koontz, Mr. Wagner, whoever wants to take a swing at that one.

Ms. EVANS. I will go first. We have been working on the Geospatial initiative. Through the budget process this year, agencies were given specific guidance about how to partner on the Geospatial initiative. There are some specific things that I think GSA would like to talk about as far as where we were being able to leverage things and products that they were buying that we intend to do through SmartBuy and those types of activities. I do not know if you wanted to bring that up before GAO says something.

Mr. WAGNER. I really cannot comment too much on Geospatial. I can tell you what we saved on the first SmartBuy deal in terms of the software license, which I believe was $57 million over 5 years, and that was a decent chunk of the install base of at least EZRE software, which is just one of the software packages in use. I do not really have insight into the overall expenditures on Geospatial. I am sorry.

Ms. KOONTZ. I will just add on Geospatial that there were four objectives that project had and all of them are partially completed at the current time. The thing I would want to emphasize here is that the Geospatial project is a very ambitious project and it is not of the sort that probably ever could be completed within an 18 to 24 month period. I believe that on the issue of Geospatial standards, we probably found a GAO report on this subject as old as 30 years. This is a very difficult problem and it will definitely take some time to obtain the kind of transformational results that you want out of this kind of project.

Mr. PUTNAM. What makes it uniquely difficult?

Ms. KOONTZ. Well, Geospatial is based on the need for standards, and I think at best, the development of standards is a long, slow, painstaking process. In addition you already have the imbedded base of equipment as well. So between those two factors, I think by definition it takes some serious time in order to get through it.

Mr. PUTNAM. On a scale of 1 to 10, with 10 being the best, Ms. Evans, where do you believe that we are today in the overall evolution of the e-government concept? And let me tip you off that last year Mark Foreman said we were at a 9 or 10 on progress and a

5 on status. The GAO, they chickened out of giving a real number, but they said the direction and focus was rated very highly and implementation was incomplete. So what are your thoughts at this stage of the game?

Ms. EVANS. So Mark said that, huh? [Laughter.]

And that is already on the record. That is great.

Mr. PUTNAM. He put that on the record on his way out the door as a little gift to you I guess.

Ms. EVANS. And my job is to continue this and realize and implement this so that we are there. I would say that the agencies, and coming from an agency and moving into this position, we have done a yeoman's job of working across agencies to really collaborate. And e-government is more than just about the technologies. When this first was brought about everybody thought it was just primarily about the Web sites. But it really is not. It really, truly is business transformation. A lot of the efforts where we are getting acknowledgement for things that have gone forward and have done well is because there were people and agencies that are working together who truly want to realize the benefits.

I think that based on some of the other questions that you have asked, this is our opportunity to really transform government and really be part of the change. So, although I had not really thought about ranking us, I would say that these really are as far as progress, Mark is right, 9 to 10 on progress. They really have moved out. The agencies are working together. But to really achieve the results and go back and really look at are we achieving the outcomes that we intended originally for these initiatives and are citizens truly benefiting from our efforts, I would go back and I would say 5 is probably right there, because some of them are doing really well and some of them need a lot of area of improvement.

Mr. PUTNAM. Who is doing particularly well? Of the 25 initiatives, which one is the farthest along, most progress? I will let you answer that, and then I will give Ms. Koontz the opportunity to answer.

Ms. EVANS. I would say, if I look at all the statistics, everything that an initiative had promised it was going to do based on the administration's plans, USA Services has realized its potential. Technically, it is fully deployed based on the objectives that were there. They have a marketing plan that is in place, they have identified what their user base is, and they have a way to measure their success. They have multiple service channel deliveries and they have a way so that the citizen can truly interact with the government in the way that they would like to do, whether it is by telephone, by e-mail, by getting hard publications. I hope to bring that much clarity to each of the other initiatives so that when you ask this question in another few months I will be able to say all of them are doing that well. But that one really sticks out.

Also, e-File really sticks out. It is technically done. If you are tracking the statistics, as I do and everybody else is, it really is realizing benefit. The last statistics I checked, just from home computer usage alone, 8.8 million citizens have filed electronically. That is a success. So those two really stick out. And maybe because

it is tax season right now I am really tracking IRS. But those are the two that I would like to highlight.

Mr. PUTNAM. That is a huge success. It is amazing how widely understood e-File is on taxes. It is a real illustration of where we can be with all of this. Ms. Koontz.

Ms. KOONTZ. This is based on the original objectives that the projects had. There are two that have achieved all of the objectives that they originally laid out, which are Grants.gov and IRS Free File. There are five others that have achieved more than half of the objectives that they originally laid out—e-Clearance, e-Payroll, e-Training, e-Travel, and Integrated Acquisition Environment. That is to say that the other 18 that are left over, some of them have had some success in achieving some of their objectives. They are just not far along overall. And a couple, frankly, have struggled.

Mr. PUTNAM. It is interesting that the top two are government to citizen, and the next best batch are all internal government-to-government-type processes. When Clay Johnson was in here 2 weeks ago with Ms. Evans, we had I think a very productive and candid discussion about ways to make this really work. But if you are going to transform the government and have the people realize that you have transformed the government and you will get credit for it, this is the place to get it done. It is such a Web-based world now. Everybody is accustomed to Amazon and eBay, and all of the things that they do to interact with one another, and they demand it of their government as well. And right now, we are letting them down, with a couple of exceptions. So this is I think an important place not just to save money, although there is tremendous potential for savings, but to demonstrate that the Federal Government is in the 21st century, and is agile and is citizen-centered.

The Module III on Regulations.gov is voluntary. Is Module II voluntary as well?

Ms. NELSON. Module II is not voluntary.

Mr. PUTNAM. What is it about the third module that makes it voluntary?

Ms. NELSON. The third module is really about changing the way rule writers do business on the back end. And at this point in time, part of the original agreement with the agencies coming to the table is when you have the number of agencies we are dealing with you have to seek some consensus. And what we saw was there was commonality across the Federal Government in terms of the processes that lead up to how rules get published, how people seek out rules, how people comment on rules. But back end processes differ within agencies; some are more scientific than others, some have different requirements as your processing rules within your agency. So what you need to do when you do program integration, as we have done here, is you look for the area of commonality and that you can achieve then an understanding about greatest efficiencies. And we decided that Module I and Module II was where there was commonality across the Federal Government, Module III there was not but people might want to come to the table voluntarily to begin using different tools for their back end processes within their organizations. That is not the part that interfaces with the citizen.

Mr. PUTNAM. Mr. Enger, the recruitment one-stop had a fair amount of controversy associated with its contract. Is that re-

solved? Is that initiative moving forward according to its goals and objectives?

Mr. ENGER. There were some initial bumps, if you will, on the procurement. But at the moment, the initiative is moving ahead at full speed. I mentioned before the tremendous volume we are getting from the U.S. citizens. We also are getting very, very high marks on the Consumer Satisfaction Index. A third party measures how well the Web site is performing and we recently this month hit 75, which is a very, very high customer satisfaction based upon their assessment of how well this site serves them.

In terms of all the normal criteria for success, if we look, going back to what I believe Karen Evans said, we have transformed a Federal business process, we have transformed the site people go to to find a Federal job. We have done this in a very, very short space of time. In 18 months approximately, we have gone from ground zero to I think a world classed transformed Federal business process and site. Third, we have metrics to prove our success. So I think these are really the keynotes of e-Government. You have transformation, short timeframe, prove your success with metrics. I think in looking at those criteria for e-Government, we stand tall in terms of meeting all of those criteria.

Mr. PUTNAM. The e-Grants have been recognized for hitting all of their targets and milestones. As a line of business initiative, it is very important to a wide array of stakeholders. Where are we in terms of streamlining that grant process to bring some uniformity for States, and nonprofits, and local governments, and the academics to make it even more streamlined than it is?

Mr. STRAWN. I can speak most about the competitive research grant programs as opposed to the block grants, since that is what NSF's business is. I can tell you that we are well begun in terms of understanding how back office grant processing can be streamlined. We have already had the success of being able to meet our goal of processing more than 70 percent of our proposals within 6 months. And this is an important effectiveness measure, not just an efficiency measure, because our proposers want to know whether they have received an award and can expect the money or have to get busy and write another grant application. And we are serving our citizen customers better when we can more quickly process the proposals and get back to them.

Mr. PUTNAM. We have previously heard that there are at least 26 different SmartCard initiatives underway in some phase of planning, development, or implementation. Is GSA looking into SmartCards based on PKI standards? And if so, how will that affect the strategy from a governmentwide standpoint?

Mr. WAGNER. First off, the GSA on the SmartCards. We have been working for several years on trying to ensure that all SmartCards are interoperable, compliant with a set of standards. So you may see 26 separate buys, some of those are shared buys across agencies, but we have been driving those toward common standards, so that at least in principle one agency could recognize what another agency's card said.

In terms of e-Authentication and PKI, we are working to ensure that any government-issued ID could hold an appropriate standard PKI certificate. That is a yes.

Mr. PUTNAM. But there are 26 different initiatives on this?

Mr. WAGNER. I am accepting that number from you. I do not know how many different buys there are under SmartCards, they will vary. And we are working with Homeland Security to standardize their look and feel, how they load certificates, we are working with OMB. We are actually, frankly, working with other players. So, for example, we have no control over the driver's license, the AMVA groups with States, but they have similar issues in terms of standards. So there is a community trying to facilitate all these different cards being interoperable.

Mr. PUTNAM. You mentioned that we should begin to judge success at GSA on asset management, surplus property revenues rather than some other measures. How much revenue does GSA generate with the sale of surplus property?

Mr. WAGNER. It is not a huge number. I would have to get back to you on the surplus sales. There are other sales channels that different agencies do too. And the Federal Asset Sales initiatives is trying to funnel all of those toward a common approach. But I would have to get back on how many dollars we actually send today.

[The information referred to follows:]

Question 2. Chairman Adam Putnam asked how much revenue GSA receives from surplus property sales?

Personal Property

Gross proceeds from personal property sales by the General Services Administration (GSA) Federal Supply Service (FSS) were $39.2 million in FiscalYear 2003. Of this amount, $12.7 million was retained by GSA to cover expenses of disposal and the remaining $26.5 million was returned to agencies requesting reimbursement.

This includes proceeds from FSS exchange sales and excludes real property sales, vehicle sales, Department of Defense (DOD) sales and other personal property sales that did not go through FSS. Information on the other personal property sales is not generally available.

Real Property

Gross proceeds from real property sales by the GSA Public Building Service (PBS) for landholding agencies and sales under the Federal Property Act totaled $528.6 million in Fiscal Year 2003. Of this amount, $6.7 million was retained by GSA to cover expenses of disposal and the remaining $521.9 million was transferred to the landholding agencies.

This excludes any sales that did not go through PBS such as DOD Base Relocation and Closure sales, sales of forfeited real property and Department of Housing and Urban Development sales.

Mr. PUTNAM. There was some talk that other agencies were actually using eBay to dispose of surplus property. Is that common?

Mr. WAGNER. No. But that would certainly be an option. The current state of asset sales is we are on the verge of awarding a contract, and I am not privy to the internal details, but it is fairly soon, that means in the next several weeks, that would be an eBay-like, where we give our assets to some entity to post them and sell them on the Internet, also do preparation. One of the ways you make money is you put a little into getting the think of it as detailing your car before you sell it rather than selling it as is, and that is one of the services. And so an eBay-like solution is very much in synch with where the asset sales initiative is going. I do not know how many agencies are using eBay today. I think there are a couple, but I do not really know that.

Mr. PUTNAM. Mr. Enger, has Recruitment One-Stop and USAJOBS produced an increase in the applicant pool for vacant Federal positions? And has there been a measurable difference in the ability and timeliness of filling those vacancies as a result?

Mr. ENGER. There has been a significant increase in the actual resumes we are receiving. I mentioned earlier, we are looking at roughly 700,000 new resumes per year and this is several times the number we had under the old USAJOBS system that we shut down last year. So there has been a dramatic increase in resumes.

The second part of your questions was what now? What was the second part of your question?

Mr. PUTNAM. Has there been a difference in the ability or timeliness in filling those vacancies as a result of the additional applicants?

Mr. ENGER. In the area of the time to fill vacancies, at the moment we are trying to establish that metric. That metric did not exist. That requires us working very closely with agencies that receive the resume from USAJOBS. It goes into their assessment systems and after they go through their assessment system, if the applicant is qualified and all of that, the person is hired. At the moment, we really do not have a good metric to say that we have decreased by X percent the time to fill a vacancy. What I can say is we are actively working to establish that metric.

Mr. PUTNAM. Are the applicants who apply on line more or less likely to be qualified? Is it a higher qualified applicant pool as a result of applying on line, or less so, it is just that much easier to do instead of typing out a resume and mailing it in?

Mr. ENGER. We do not really have that information. I think that is the information that will be coming forth shortly because, as I mentioned earlier, we are really gathering good solid information about who the people using the site are and we are getting profiles of that. But at the moment, since this went live in August, we do not really have, if I may say the word, solid metrics to be able to answer the questions you are asking me right now. What I can say is we are actively pursing establishing those metrics to tell you we have improved the quality of hires, we have reduced the time it takes to hire a person or source a person by X percent. But at the moment we do not have those metrics.

Mr. PUTNAM. It just seems to me that while I firmly believe that Web-based delivery of services and access to services is the right

direction to go, making things easier and generating more participation does not necessarily mean that you are going to generate a higher level of qualified participation. It is just easier to do it, and you may increase the number of jokes or cranks or whatever you want to call it, because it becomes a couple of keystrokes to do it.

Mr. ENGER. What I can say, Mr. Chairman, is that we actually study how potential Federal applicants reacted to the old format whereby jobs were posted on USAJOBS. We have a very, very interesting video on this. We had college students who were graduating go to the old format used to post a Federal job and there was tremendous frustration after they started to look at the job vacancy announcement with the jargon, the complexity, they just mostly cursed, stood up and walked away. And we have this on video, the frustration people had on the old system trying to figure out what this job was and how to apply for this job. We have over there on that podium there, we have in the second part is a new vacancy announcement. We have dramatically improved how a job vacancy will appear to the person who wants to get a Federal job. It is much simpler, user-friendly, they can rapidly ascertain do I want to apply for this job or not.

I am coming around to answering your question this way. We were losing talented, qualified people with the frustration with the old jobs system. Therefore, I have to believe that by reducing this frustration, people who would have walked away and said I cannot take this bureaucracy, I will apply for a private job, we will start getting into the Federal sector quality college graduates and a higher calibre of applicants.

Mr. PUTNAM. That is outstanding. Bonus question for you. What is a histopathology technician? That is the featured job of the month. [Laughter.]

Mr. ENGER. Well, I will say this, it deals with disease. [Laughter.]

Mr. PUTNAM. "Histo techs, enjoy the pleasures of sunny San Diego while serving your country as a civilian." Does anyone want to take a crack at histopathology?

Mr. STRAWN. Probably diseases of the blood. I think histo is blood.

Mr. PUTNAM. National Science Foundation comes through again. [Laughter.]

The teachers pet. A-minus on the scorecard and answering the bonus question.

Ms. Evans, a final question. Do you have an estimate on the savings to the American taxpayer that we might achieve in fiscal year 2005 through the continued progress in e-government.

Ms. EVANS. I do not have the specific cost-savings for fiscal year 2005 right here, and I would be glad to pull it from the business cases to give it to you. But however, over the lifecycle of all the initiatives, we estimate that we should reach over $6 billion of cost-savings to the taxpayer. I would be glad to submit the specific number of fiscal year 2005.

Mr. PUTNAM. We would like that. But let me ask you a followup.

Ms. EVANS. Sure.

Mr. PUTNAM. Not nitpicking, but $6 billion over the life of the program, when will we know that we are at the end of the life of

the program, that we have fully implemented it? Is this a 5-year goal, 10 year goal, that we can say by fiscal year 2008, fiscal year 2010, whatever, we will have achieved $6 billion in savings by? What is that date that is the life of this program?

Ms. EVANS. Well, on these particular initiatives, we would like to get the utilization plan clearly defined so that we can answer that question for each of these initiatives. We are working toward getting those plans done. The business cases themselves for each one of these initiatives estimate what the lifecycle is and what the benefits are per initiative. And so that is how we pull them out and that is how the decisions are made. So several of them, like in the case of the OPM initiatives, and Norm could share that with us, have the estimated lifecycle out there with the benefits associated with those.

What we are really trying to do is get all of these initiatives to mature. The intent is not for these to be over, but the intent of these are to graduate and become part of the mainstream way that the government does the business so that those benefits then accrue and you continue to earn those benefits and then you be able to apply as you have transformed those processes. So I do not know that we will ever let these go away. They actually will mature and they will be in the business lines that they belong to and they will become part of the business processes that they need to be.

Mr. PUTNAM. That is exactly what I am asking, is at what point will we consider them to be institutionalized as part and parcel of our way of doing business and ready to tackle the next phase on the next wave of lines of business or the next whatever e-government and information technology bring us? Is that a 5-year goal, a 10-year goal?

Ms. EVANS. The way that we have laid out the budget and the way that we have looked at these initiatives, several of them are mature technically. And so what we are really looking at, and the budget guidance gave specific directions to the agencies saying that you need to move into a fee-for-service approach so that it addresses the issue of how they will have a sustaining model to go forward to ensure that they can, based on the business value that they provide to their partners, that they will continue to mature. We gave specific guidance dealing with things such as e-grants, recruitment one-stop, Geospatial, and e-learning, that those were ready to move forward and get into a fee-for-service approach with the agencies.

The fiscal year 2005 budget does recognize that, based on several of the recommendations that GAO has noted as they have gone through here, that several of the other initiatives need to continue to move forward. Also, the budget is set in a way that will support them to their maturity in the 2005 process. It is intended, though, that at the end of 2005, the rest of these will be mature and should have moved into by 2006 into a fee-for-service model, if appropriate. So that is the intent, that they will be mature and graduated by 2006.

Mr. PUTNAM. All right. Opportunity for final comments from any of our panelists. Is there anything that you would liked to have been asked but were not? Any final remarks? Dr. Strawn.

Mr. STRAWN. Mr. Chairman, I am in the process of meeting with all of the NSF leaders of all of the e-government projects that we

participate in. I am about half-way through with those meetings, I have been very encouraged by the reports from our project leaders. This is a very ambitious and complex set of initiatives that we are working on, in my opinion. We are further along than I thought we would be at this point.

Mr. PUTNAM. Ms. Nelson.

Ms. NELSON. Similar. Just to build on that. One of the things that is most striking to me is much of what you are seeing here today represents the first of its kind in the world. So when we talk about benchmarks and original estimates and milestones, in fact, many of those were developed really in a very uninformed way because there was nothing to benchmark against. We are doing what we are doing here where no one else has done it before. So I agree with what Dr. Strawn has said.

In State government, I was director, as you said, for program integration and effectiveness office and that was just integrating a Department of Environmental Protection air, water, and waste programs. I am shocked, frankly, based on my experience, how much progress we have made in these initiatives in just 18 months. Considering the Federal Government, considering what is often considered a very bureaucratic process, we have made tremendous strides. I never would have guessed, given my State government experience, that you could take some of the initiatives that we have here today, complex initiatives, and break down some of the barriers between Federal agencies and actually accomplish what has been accomplished to date. It is pretty remarkable because many people here are doing this without a blueprint. There is nothing to benchmark against. There are no other footsteps to follow in.

Mr. PUTNAM. Mr. Enger, would you like to add anything?

Mr. ENGER. Yes. I would like simply to reinforce what was just said. When I joined the government 2 years ago and looked at these five OPM initiatives, I was skeptical that this much progress could be done in this space of time. Because the impression that you have is that the government is a government and things do not move very rapidly in government systems. I do believe that what we have been able to show here with e-government is that change can take place rapidly, old systems can be transformed. And I think with e-government you have broken the ice. I think you have shown a path here that with intelligent planning and leadership and the right choice of initiatives, you can in effect improve how the government operates.

I would also like to say with Karen Evans here, we have worked very closely and had strong support from OMB and I think that much of our success at OPM has been this close partnership and strong working relationship between OPM and OMB, both Karen Evans and, before her, Mark Foreman. Thank you.

Mr. PUTNAM. Ms. Jameson.

Ms. JAMESON. I do not have any further comments, just to say thank you again for your support.

Mr. PUTNAM. Yes, ma'am. Mr. Wagner.

Mr. WAGNER. I guess I think that we have done a lot. It is not so much process, it has been individuals, it is certain people who make a difference on making this work. And the second thing is it only works and has worked because it is program-driven. It is

not caught up in the technology world but it is driven by program initiatives, and I think that is why we have achieved what we have done.

Mr. PUTNAM. Ms. Koontz.

Ms. KOONTZ. I will just add that the discussion on performance measures I think was very interesting. One of the things that we noted, if you look at our attachment to our statement where we give a progress report on each of the 25 initiatives, you will find that in many cases the performance measures are not reported, and at least in some cases, there are not performance targets yet associated with them. Ultimately, the success of the projects will be on outcomes, and this is something important I think for both OMB and the agencies to focus on in the near future.

Mr. PUTNAM. Ms. Evans, did you hear that?

Ms. EVANS. Mr. Chairman, thank you so much. This really is an opportunity, and I think the way the panel is structured today really shows a difference of how the government is moving forward. I am very excited that I have the opportunity to really work on these initiatives and work to make e-government a realization and a reality for the citizen. As you know, I have been in government a long time and to be able to be given the opportunity, and have this administration who is really committed to results, and to be a part of this transformation that is occurring, every day I think it is a wonderful thing.

I appreciate the oversight that your committee gives to us on this, but this really is different. This really is transformation. We really are about results. And every person who comes to government every day is there to make a difference. I think that this is just a wonderful thing for us to do. It certainly is a challenge. But for me to be given the opportunity to do it and to really be committed to this, and this administration is committed to achieving the results, we will be a citizen-centered government through the use of e-government. Thank you.

Mr. PUTNAM. Thank you very much. We appreciate all that you do and your accessibility to this subcommittee. It is very helpful as we are all partners in progress to making this entire effort successful.

I would like to thank all of our panelists for their contribution to our oversight efforts. As OMB's self-imposed deadline for implementation of the original "Quicksilver" initiatives nears, this hearing has served to provide a helpful update on the status and it provided, frankly, a picture of what obstacles to implementation presented themselves, how they were resolved, and which obstacles remain. I am very pleased with where we are, the progress that has been made. Frankly, it has been one of our more happy hearings in a while.

I want to thank Mr. Clay for his participation in the subcommittee today and all the work that he does.

In the event that there may be additional questions we did not have time for today, the record will remain open for 2 weeks for submitted questions and answers. We look forward to many more good progress reports on the status of e-government.

With that, the subcommittee stands adjourned.

[Whereupon, at 4:36 p.m., the subcommittee was adjourned, to reconvene at the call of the Chair.]

[Additional information submitted for the hearing record follows:]

Q: What added benefits will be included in the new contract for the National Call Center?

A: The contract for an enhanced National Contact Center will be structured as a multiple award contract with up to five companies available to undertake different tasks as required. The contract, which should be awarded in May, 2004, will provide for a wide variety of new benefits, including:

- Advanced voice recognition services that direct callers to the specific information they need.
- Capability for service delivery in 7 languages in addition to English and Spanish (French, German, Vietnamese, Korean, Cantonese, Mandarin and Japanese).
- Each of the five companies has to demonstrate that it can expand as needed to handle future growth.
- The multiple contractor arrangement guarantees that we will always be able to meet the needs of the government.
- One feature of the new contract is that supervisors will be able to record and review the different computer screens that an agent goes through to research an answer. This is a check on both the accuracy and the speed with which we deliver information.
- All agency tasks will be performance-based with specific performance metrics for speed of answer, accuracy and overall quality standards. For example, emails are answered within 2 business days and callers are "on hold" less than 30 seconds.
- New automated services, such as the ability for callers to leave messages, schedule times to receive a callback, and make appointments when personal interviews are required (e.g. for some Visas).

Since this contract covers multichannel contact center services for 5 years, it provides for the delivery of a widest possible variety of services and tasks. The contract also requires contractors to have the experience, capability and flexibility to use new technologies as they are developed to provide cutting edge service to American citizens.